

MISSOURI



Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

STATE OF MISSOURI
ANNUAL COMPREHENSIVE
FINANCIAL REPORT

Fiscal Year Ended June 30, 2021



Michael L. Parson
Governor

KENNETH J. ZELLERS
Acting Commissioner
Office of Administration

STACY NEAL
Director
Division of Accounting

Prepared by
Office of Administration, Division of Accounting

On the Cover:

Governor's Mansion with Tulips, Becky Howard, Photographer

This report can be viewed on the Internet at <http://oa.mo.gov/accounting/reports>

STATE OF MISSOURI
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Letter of Transmittal	I
Organizational Chart	VII
Principal State Officials	VIII
<u>FINANCIAL SECTION</u>	
Auditor's Opinion	i
Management's Discussion and Analysis	1
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements	
Governmental Funds	
Balance Sheet	17
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	18
Statement of Revenues, Expenditures, and Changes in Fund Balances	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances in Governmental Funds to the Statement of Activities	20
Proprietary Funds	
Statement of Net Position	22
Statement of Revenues, Expenses, and Changes in Fund Net Position	23
Statement of Cash Flows	24
Fiduciary Funds	
Statement of Fiduciary Net Position	26
Statement of Changes in Fiduciary Net Position	27
Component Units	
Statement of Net Position	29
Statement of Revenues, Expenses, and Changes in Net Position/Statements of Activities	30
Notes to the Financial Statements	33
Required Supplementary Information	
Budgetary Comparison Schedule General Fund, Major Special Revenue Funds	141
Notes to Required Supplementary Information Budgetary Reporting	143
Schedule of Changes in Net Pension Liability and Related Ratios	144
Schedule of Proportionate Share of the Net Pension Liability	150
Schedule of State Contributions	152
Schedule of Changes in Total OPEB Liability and Related Ratios	154
Schedule of Changes in Net OPEB Liability and Related Ratios	156
Schedule of Proportionate Share of the Collective Net OPEB Liability	157

Supplementary Information

Budgetary Comparison Schedule Major Capital Projects Fund	159
Combining Fund Statement - General Fund	
Balance Sheet	161
Statement of Revenues, Expenditures, and Changes in Fund Balance	162
Combining and Individual Fund Statements - Non-major Funds	
Governmental Funds	
Combining Balance Sheet Non-Major Governmental Funds - by Fund Type	163
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Non-Major Governmental Funds - by Fund Type	164
Special Revenue Funds	
Combining Balance Sheet	167
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	168
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual	169
Debt Service Funds	
Combining Balance Sheet	175
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	176
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual	177
Capital Projects Funds	
Combining Balance Sheet	182
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	183
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual	184
Permanent Funds	
Combining Balance Sheet	188
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	189
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual	190
Proprietary Funds	
Enterprise Funds	
Combining Statement of Net Position	195
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	197
Combining Statement of Cash Flows	199
Internal Service Funds	
Combining Statement of Net Position	203
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	205
Combining Statement of Cash Flows	207

Fiduciary Funds

Pension (and Other Employee Benefit) Trust Funds

Combining Statement of Fiduciary Net Position	211
Combining Statement of Changes in Fiduciary Net Position	212

Private-Purpose Trust Funds

Combining Statement of Fiduciary Net Position	213
Combining Statement of Changes in Fiduciary Net Position	214

Custodial Funds

Combining Balance Sheet	215
Combining Statement of Changes in Fiduciary Net Position	216

Component Units

Combining Statement of Net Position	219
Combining Statement of Revenues, Expenses, and Changes in Net Position	220
Combining Statement of Cash Flows	221

STATISTICAL SECTION

Financial Trends

Net Position by Component	224
Changes in Net Position	225
Fund Balances - Governmental Funds	227
Changes in Fund Balances - Governmental Funds	228

Revenue Capacity

Revenue Base - Taxable Sales by Industry	230
Revenue Base - Personal Income by Industry	231
Personal Income Tax Revenue	232
Personal Income Tax Rates	233
Revenue Payers by Industry	234
Personal Income Tax Filers/Liability	235

Debt Capacity

Ratios of Outstanding Debt	236
Pledged Revenue Coverage	238

Demographic and Economic Information

Demographic Indicators	239
Economic Indicators	240
Principal Employers	241

Operating Information

State Employees by Function	242
Operating Indicators by Function	243
Capital Asset Statistics by Function	245

Acknowledgements	247
------------------------	-----



*The **Introductory Section** includes material to familiarize the reader with the organizational structure of the State, the nature and scope of services the State provides, and a summary of the financial activities of the State and the factors that influence these activities.*

Michael L. Parson
Governor



Kenneth J. Zellers
Acting Commissioner

State of Missouri
OFFICE OF ADMINISTRATION
Division of Accounting
570 Truman Building, 301 West High Street
Post Office Box 809
Jefferson City, Missouri 65102
573 751-2971
INTERNET: <http://www.oa.mo.gov/acct>
E-MAIL: acctmail@oa.mo.gov

Stacy Neal
Director

January 21, 2022

The Honorable Michael L. Parson
The Honorable Members of the Legislature
Citizens of the State of Missouri

In accordance with generally accepted accounting principles, I submit to you the Annual Comprehensive Financial Report (ACFR) of the State of Missouri for the fiscal year ended June 30, 2021. This report was prepared by the Office of Administration, Division of Accounting, whose management is responsible for its contents.

The report is prepared to show the financial position and operating results of the State. The State's internal accounting controls provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposal and the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the resulting benefit. We believe the data presented is accurate in all material respects and that all disclosures necessary to enable the reader to gain a reasonable understanding of the State's financial activities have been included.

An annual audit of the basic financial statements is completed each year by the State Auditor's Office. The State Auditor conducts the audit in accordance with generally accepted government auditing standards, and their opinion has been included in this report. The State Auditor conducts a "Single Audit" of all federal funds in accordance with the Federal Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform guidance).

A narrative introduction, overview, and analysis of the basic financial statements is presented in the *Management's Discussion and Analysis (MD&A)* section of this report. This letter of transmittal is intended to complement MD&A and should be read in conjunction with it. The MD&A can be found immediately following the Independent Auditor's Report.

PROFILE OF THE GOVERNMENT

Missouri was organized as a territory in 1812 and was the second state (after Louisiana) of the Louisiana Purchase to be admitted to the Union. Statehood was granted on August 10, 1821, making Missouri the 24th state. The State encompasses 68,945 square miles.

The State operates under three branches of government: executive, legislative, and judicial. The executive branch consists of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, and Attorney General. The legislative branch consists of 34 members of the Senate and 163 members of the House of Representatives. The judicial branch is a three-tier court system: the Supreme Court, the State's highest court, has statewide jurisdiction; a court of appeals that consists of districts established by the General Assembly; and a system of circuit courts that has original jurisdiction over all cases and matters, civil and criminal.

The State provides a range of services in the areas of agriculture, education, health and social services, transportation systems, public safety, judicial systems, economic development, conservation and natural resources, labor relations, and general administration.

The State operates on a legally adopted budget in order to ensure compliance with legal provisions embodied in the annual appropriated budget passed by the General Assembly and approved by the Governor prior to the beginning of the fiscal year. If appropriations are not sufficient for a fiscal year, supplemental amounts are requested during the next legislative session by the same process that original appropriations are requested. Budgets are established at the program level. Expenditures cannot exceed the individual appropriation amount. The Governor has the authority to reduce the allotments of appropriations in any fund if it appears that the revenue estimate will not be met. Article IV, Section 27 of the Missouri Constitution, amended in 2014, requires the Governor to notify the General Assembly if the Governor reduces allotments when it appears revenues will be less than estimated. This Section then gives the General Assembly the authority to overturn any of the Governor's restrictions with a two-thirds vote, similar to the procedure to overturn a veto. Unexpended appropriations lapse at the end of each fiscal year, unless reappropriated to the following budget fiscal year.

The financial reporting entity of the State includes all of the funds of the primary government as well as component units for which the State is financially accountable. The transmittal letter, MD&A, and the financial statements focus on the primary government and its activities. Although information pertaining to the component units is provided, their separately issued financial statements should be read to obtain a complete overview of their financial position.

ECONOMIC CONDITION AND OUTLOOK

State Economy

Revenue collection information as of June 30, 2021 indicates that net general revenues collections for fiscal year 2021 increased by 25.8% compared to June 2020, from \$8.93 billion in fiscal year 2020 to \$11.24 billion in fiscal year 2021. Missouri's fiscal year 2021 tax collections were boosted by the delay in the income tax due dates moving from fiscal year 2020 into fiscal year 2021. It is estimated that approximately \$783.8 million in income tax payments were delayed until after the start of the fiscal year. In addition, Missouri saw strong growth in withholding and sales taxes as the economic recovery accelerated after the COVID-19 recession.

The State has received several federal awards of significant size to assist with COVID-19 response efforts. This includes \$2.083 billion of Coronavirus Relief Fund money received in April 2020, which was allocated to the following:

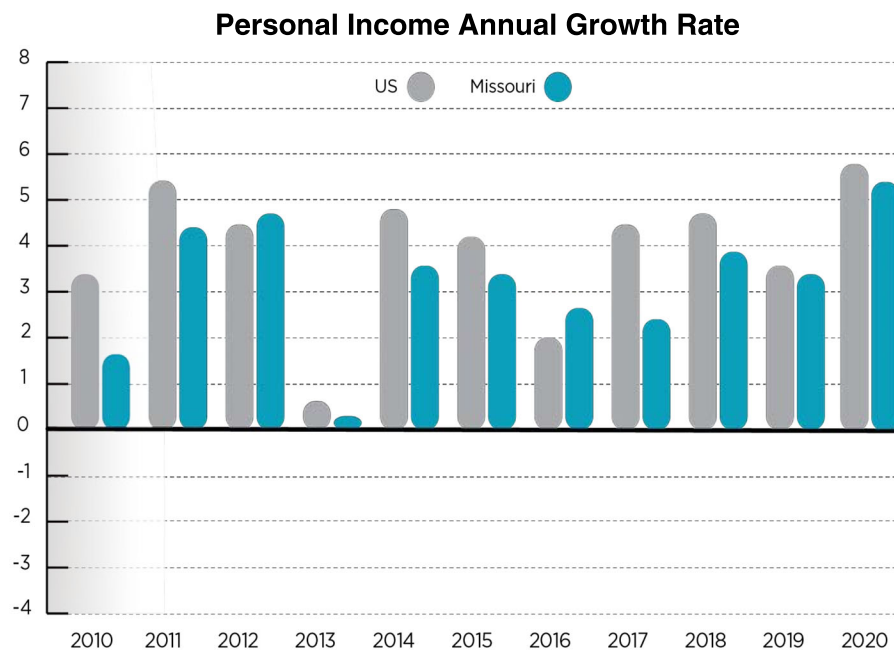
- Missouri Counties to assist with local response
- The Unemployment Compensation Fund
- Higher Education Institutions and Workforce Development
- Personal protective equipment, testing initiatives, and alternative care and quarantine sites
- State agency response costs
- Public Safety payroll expenses
- COVID-19 testing for nursing homes and long-term care facilities
- Elementary and Secondary Education Facilities
- Economic support
- Broadband development
- Meat processing facilities
- Small Businesses
- Various other purposes

The State received \$324 million in housing assistance stimulus to support the federal Emergency Rental Assistance Program to provide financial assistance to eligible households unable to pay rent and utilities due to the COVID-19 pandemic.

The State has been awarded grant monies totaling approximately \$771 million for the Department of Health and Senior Services relating to vaccines, testing, contact tracing, surveillance, containment and mitigation, food service programs; a national initiative to address COVID-19 health disparities amongst certain populations, workforce development training; and other COVID-19 efforts. Several other COVID related grants were received by State agencies and are being expended. Further information about federal grants are available in the State of Missouri's Single Audit which is available on the Missouri State Auditor's website at www.auditor.mo.gov.

In addition, the first half of \$2.8 billion of the American Rescue Plan's State Fiscal Recovery Fund and \$225 million of the American Rescue Plan's Local Fiscal Recovery Fund was received in August 2021. Conversations continue related on how best to utilize the allocation of the funds.

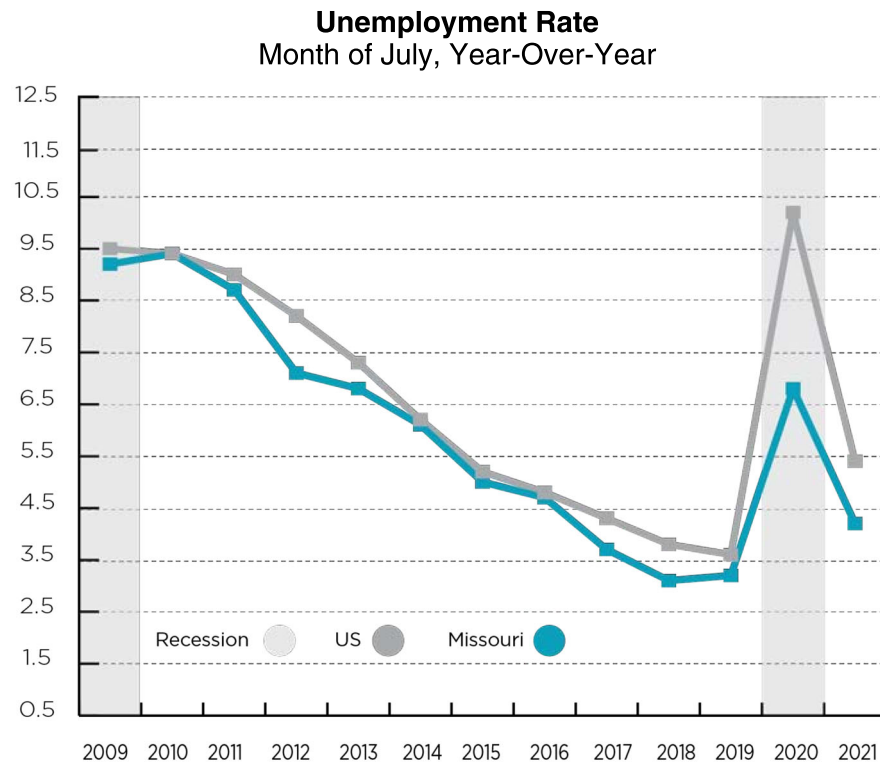
Missouri's GDP was \$277.4 billion in 2020 in 2012 inflation-adjusted dollars; this is a 3.6% decrease over 2019. Missouri's per capita personal income was \$51,177 in 2020, an increase from 2019. The national per capita income is \$59,729. While the State's per capita income is lower than the national average, so is the cost of living. In 2020, Missouri ranked 6th lowest in cost of living for states.



Source: MERIC 2021 Missouri Economic Report

It is likely that the full financial impact of COVID-19 on the State, its economy, and its financial position will continue to change as circumstances and events evolve, but such impact has been, and may continue to be substantial. Some of the most immediate possible negative impacts that the State has identified include (i) increases in unemployment levels, with a corresponding decrease in income taxes; (ii) overall decreases in sales and other tax collections, namely from hotels, restaurants, retail stores and performance venues; and (iii) cancellations of major events and conferences. The economic impact on businesses, unemployment, and state activities caused by the duration, severity and degree of the impact of COVID-19 remains difficult to predict at this time.

In July 2021, Missouri's unemployment rate was 4.2%, while the nation's unemployment rate was 5.4%, a significant decrease from July 2020, reflecting continued recovery from the economic downturn caused by the COVID-19 pandemic during 2020. Prior to the COVID-19 pandemic, Missouri and the nation were experiencing record low unemployment numbers and a tight labor market. Missouri's unemployment rate rapidly declined, as more Missourians were able to return to work, but has not yet reached pre-COVID-19 levels.



Source: MERIC 2021 Missouri Economic Report

Long-Term Financial Planning

During the 2014 legislative session, the legislature passed Senate Bill 509 and Senate Bill 496, relating to changes to the State's income tax structure. The legislation reduced the maximum tax rate on personal income and created an income tax deduction for business income as well as increased a personal exemption for individuals that have an adjusted gross income of less than \$20,000. (The federal Tax Cuts and Jobs Act of 2017 eliminated the personal exemption.) The implementation of the tax cut is gradual with a 0.10% decline each calendar year and will go into effect following fiscal years where net general revenue collections grow at least \$150 million. Estimates indicate that the bills will cost at least \$620 million annually once fully in effect, which will occur in fiscal year 2025 at the earliest, due to a phased implementation. General revenue growth for fiscal year 2017, 2018, and 2021 triggered the first three income tax reductions in tax year 2018, 2019, and 2022. The general revenue growth for 2019 and 2020 did not trigger a tax reduction for tax years 2020 and 2021. Fiscal year 2026 will be the earliest the tax reductions will be fully implemented, due to the phased implementation.

The General Assembly passed several tax-related bills during the 2021 legislative session. The General Assembly passed House Bill 297 which expands the definition for 529 education savings plans to include student loan payments. The bill is estimated to reduce general revenue by \$1.4 to \$7.1 million annually. The General Assembly also passed House Bill 429 which created a tax deduction for foster parents. This bill is estimated to reduce general revenue by \$1.3 to \$1.6 million annually. The General Assembly passed House Bill 604 which expanded the long-term care insurance deduction to include insurance plans that do not qualify for the federal tax deduction. The bill may have an unknown negative effect on general revenue. The General Assembly also passed Senate Bill 153 which reduces the top rate of individual income tax over time, creates an earned income tax credit, and exempts federal COVID-19 stimulus payments from income tax. This bill is estimated to reduce general revenue in fiscal year 2022 by \$11.7 million due to the exemption of federal stimulus payments. Once fully implemented, the income tax portion of this bill is estimated to reduce general revenue by \$349.8 million annually. The combined impact to general revenue during fiscal year 2022 is estimated to be an approximately \$13 to \$22 million loss. Once fully implemented, the legislation could reduce general revenue by approximately \$218 to \$333 million annually.

Relevant Financial Policies

Article X, Sections 16-24 of the Constitution of Missouri (the “Tax Limitation Amendment”), imposes a limit on the amount of taxes that may be imposed by the General Assembly in any fiscal year. This limit is tied to total state revenues for fiscal year 1981, as defined in the Tax Limitation Amendment and adjusted annually, in accordance with the formula set forth in the amendment which is tied to increases in the personal income of Missouri for certain designated periods. If the revenue limit is exceeded by one percent or more in any fiscal year the excess revenue will be refunded pro-rata, based on the liability reported on state income tax returns. If the excess revenue collected is less than one percent of the revenue limit, the excess revenue shall be transferred to the General Revenue Fund.

The revenue limit can be exceeded by a constitutional amendment duly adopted by the people or if the General Assembly approves by a two-thirds vote an emergency declaration by the Governor. Strong economic growth resulted in revenues above the total state revenue limit in fiscal years 1995-1999. The State has refunded to income taxpayers \$979 million in excess revenue for these fiscal years. The revenue limit was not exceeded in fiscal years 2000 through 2021, inclusive. The State is currently \$6.09 billion below the limit and does not expect the limit to be exceeded in fiscal year 2022.

Major Initiatives

Highlights of the 2021 Regular Session include the passage of the following:

- **Sales Taxes**

Following the U.S. Supreme Court decision in *South Dakota v. Wayfair Inc.* Senate Bill 153 allows for the collection of the use tax from companies doing business in Missouri who do not currently have physical nexus with the State. The legislation brings Missouri in line with every other state that levies a sales tax. Once fully implemented, the sales tax provision is estimated to increase general revenue by \$92.3 to \$141.0 million annually.

- **Tax Credits**

The General Assembly passed House Bill 349 and Senate Bill 86, which creates tax credits for donations to scholarship accounts. While House Bill 349 sets the annual limit for tax credits at \$75 million per year once fully implemented, Senate Bill 86 lowered the annual cap to \$50 million per year once fully implemented. The General Assembly passed House Bill 430 which expanded the adoption tax credit and removed the annual redemption cap on tax credits for donations to domestic violence shelters and maternity homes. It is estimated to reduce general revenue by \$3.9 million annually. The General Assembly passed Senate Bill 2 which expands the MO Works tax credit program to include military projects and Senate Bill 153 which expands the MO Works tax credit to include retail businesses within certain areas. Both bills may have an unknown negative impact on general revenue. The General Assembly also passed Senate Bill 36 which created a tax credit for donations to the restorations and upkeep of the capitol complex and is estimated to reduce general revenue by up to \$10 million annually.

- **Motor Fuel**

The General Assembly passed Senate Bill 262, which increases the motor fuel tax rate by \$0.025 each year for a total increase of \$0.125 as well as increases alternative fuel decal fees. It also grants taxpayers a refund for the additional motor fuel taxes paid; taxpayers may choose to apply for such refund annually. This bill is estimated to increase motor fuel tax funds by \$56.3 million in fiscal year 2022 and once fully implemented, is estimated to increase motor fuel tax collections by \$90.4 to \$332.6 million annually, depending on the number of refund claims received.

- **Employment Leave for Sexual Assault Survivors**

House Bill 432 requires employers to allow employees to take unpaid leave from work to address issues resulting from domestic or sexual abuse of themselves, their family, or household. The bill also requires employers or public agencies to make reasonable safety accommodations for victims of domestic or sexual violence or their family members or household members.

- **Supporting Veterans**

House Bill 476 adds military occupational specialties to the list of eligible qualifications for receiving an occupational license via reciprocity in Missouri.

ACKNOWLEDGEMENTS

While the Office of Administration, Division of Accounting, is responsible for the contents of this report, no one division could do it alone. Many people were involved in the compilation of materials necessary to complete the report.

We want to issue a special thanks to all the personnel at the State agencies who provided us with information quickly and accurately so that we could issue the ACFR in a timely manner. We also owe thanks to the professionalism and dedication demonstrated by technical and management personnel within the State Auditor's Office, the State Treasurer's Office, Office of Administration, Information Technology Services Division, and the State Printing Center. We appreciate all their efforts.

Sincerely,

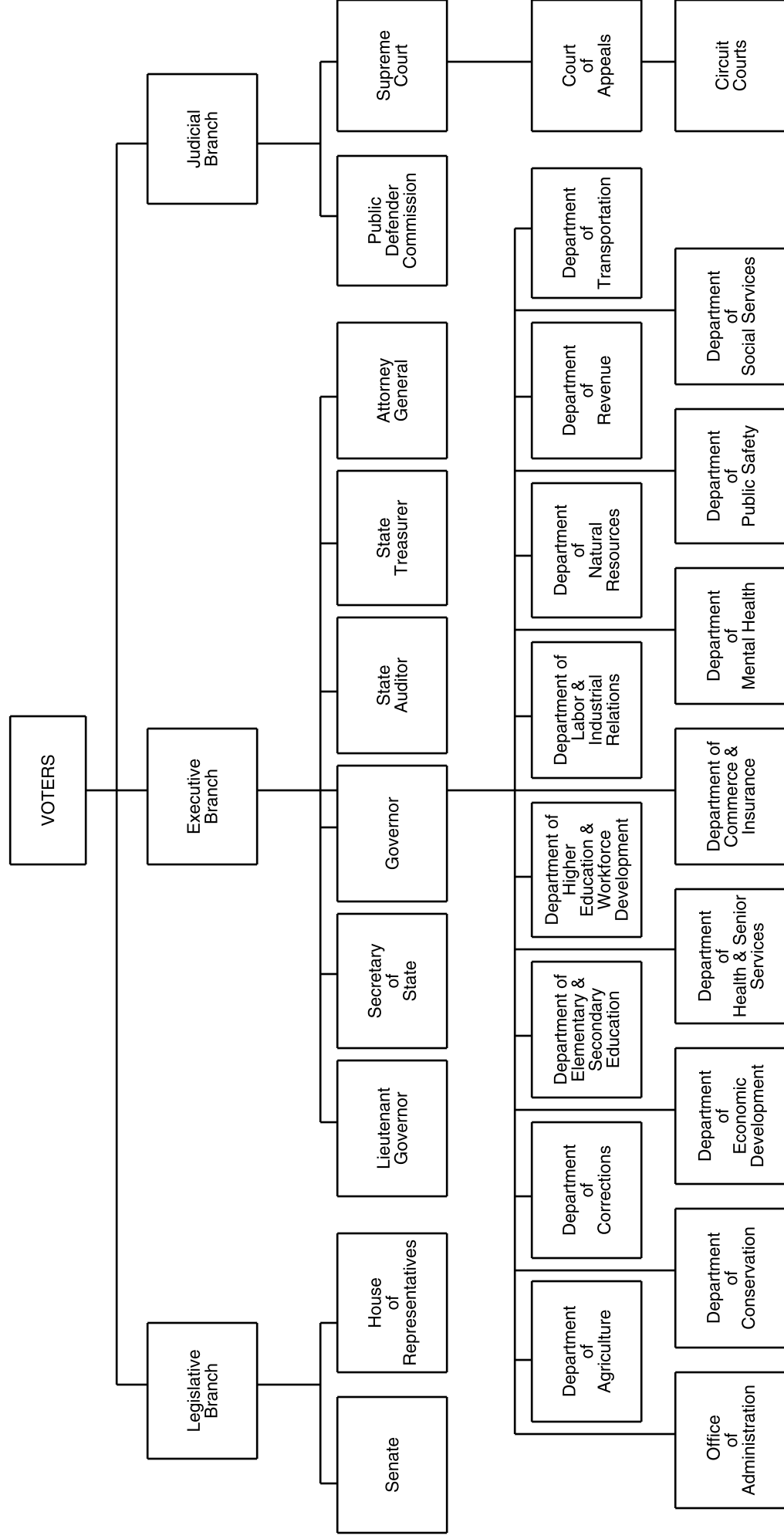
A handwritten signature in cursive script that reads "Stacy Neal".

Stacy Neal, CPA
Director

STATE OF MISSOURI

ORGANIZATIONAL CHART

June 30, 2021



**STATE OF MISSOURI
PRINCIPAL STATE OFFICIALS
as of June 30, 2021**

EXECUTIVE

Michael L. Parson
Governor

Mike Kehoe
Lieutenant Governor

John R. Ashcroft
Secretary of State

Nicole Galloway, CPA
State Auditor

Scott Fitzpatrick
State Treasurer

Eric Schmitt
Attorney General

LEGISLATIVE

Dave Schatz
President Pro Tem of the Senate

Rob Vescovo
Speaker of the House of Representatives

JUDICIAL

Paul C. Wilson
Chief Justice of the Supreme Court



*The **Financial Section** includes the Independent Auditor's Report, Management's Discussion and Analysis, Basic Financial Statements, Required Supplementary Information, and Supplementary Information.*



NICOLE GALLOWAY, CPA

Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT

Honorable Michael L. Parson, Governor
and
Members of the General Assembly

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the state of Missouri, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the state's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain entities. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for those entities, are based solely on the reports of the other auditors. Those entities were:

1. The Missouri Road Fund, a major fund; the Missouri Road Bond Fund; the Transportation Self-Insurance Plan; the Missouri State Employees' Insurance Plan; the Missouri Consolidated Health Care Plan; and the Missouri Department of Transportation and Missouri State Highway Patrol Medical and Life Insurance Plan which represent 70 percent of the assets and 10 percent of the revenues of the governmental activities.
2. The State Lottery, a major fund, and the Petroleum Storage Tank Insurance Fund which represent 24 percent of the assets and 35 percent of the revenues of the business-type activities.

3. The aggregate discretely presented component units.
4. The pension (and other employee benefit) trust funds and the Missouri Department of Transportation custodial funds which represent 93 percent of the assets and 98 percent of the additions of the fiduciary funds.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Missouri State Employees' Insurance Plan and the Missouri Consolidated Health Care Plan, internal service funds; the Missouri Development Finance Board, the Missouri Agricultural and Small Business Development Authority, and the State Environmental Improvement Energy Resources Authority, discretely presented component units; and the pension (and other employee benefit) trust funds were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinions on the governmental activities and the General Fund opinion units and our unmodified opinions on all remaining opinion units.

Basis for Qualified Opinions on the Governmental Activities and the General Fund

We were not allowed access to tax returns and related source documents for income taxes. Access was denied based on the Department of Revenue's interpretation of the decision rendered by the Missouri Supreme Court in the case of *Director of Revenue v. State Auditor* 511 S.W.2d 779 (Mo. 1974). Approximately 26 percent of governmental activity revenues and 29 percent of General Fund revenues are from this source. We were unable to satisfy ourselves by appropriate audit procedures as to the income tax revenue beyond the amounts recorded.

Qualified Opinions

In our opinion, based on our audit and the reports of other auditors, and except for the possible effects of the matter described in the "Basis for Qualified Opinions on the Governmental Activities and the General Fund" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the General Fund of the state of Missouri, as of June 30, 2021, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the aggregate discretely presented component units, each major fund excluding the General Fund, and the aggregate remaining fund information of the state of Missouri, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 17 to the financial statements, the 2020 financial statements have been restated to correct misstatements. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; the Budgetary Comparison Schedule-General Fund, Major Special Revenue Funds; the Schedule of Changes in Net Pension Liability and Related Ratios; the Schedule of Proportionate Share of the Net Pension Liability; the Schedule of State Contributions; the Schedule of Changes in Total OPEB Liability and Related Ratios, the Schedule of Changes in Net OPEB Liability and Related Ratios; and the Schedule of Proportionate Share of the Collective Net OPEB Liability, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the state of Missouri's basic financial statements. The supplementary information, as listed in the table of contents, and the other information, which consists of the introductory and statistical sections, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

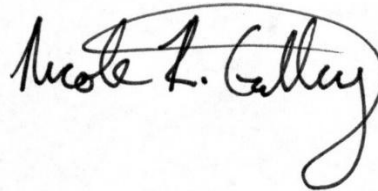
The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the audit procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States

of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, and except for the possible effects on the supplementary information of the matter discussed in the "Basis for Qualified Opinions on the Governmental Activities and the General Fund" paragraph, the supplementary information, as listed in the table of contents, is fairly stated in all material respects, in relation to the basic financial statements as a whole.

The information in the introductory and statistical sections has not been subjected to the audit procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, our report dated January 21, 2022, on our consideration of the state of Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters will be issued under separate cover in the Report on Internal Control, Compliance, and Other Matters. The purpose of our report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the state of Missouri's internal control over financial reporting or on compliance. Our report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the state of Missouri's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Nicole R. Galloway". The signature is fluid and cursive, with a large loop at the end of the last name.

Nicole R. Galloway, CPA
State Auditor

January 21, 2022



The Management's Discussion and Analysis provides a narrative overview and analysis of the financial activities of the State.

Management's Discussion and Analysis

The following is a discussion and analysis of the State of Missouri's financial activities for the fiscal year ended June 30, 2021. Readers are encouraged to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal.

FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

Government-Wide:

- *Net Position.* Assets and deferred outflows of the State of Missouri exceeded liabilities and deferred inflows at the close of fiscal year 2021 by \$32.4 billion. Of the \$32.4 billion, "unrestricted net position" is reported as a negative \$6.1 billion, offset by \$6.4 billion in "restricted net position", and \$32.1 billion net investment in capital assets.
- *Changes in Net Position.* The State's total net position increased by \$3.4 billion in fiscal year 2021. Net position for governmental-type activities increased by \$3.5 billion.
- *Excess of Revenues over (under) Expenses.* During fiscal year 2021, the State's total revenues of \$38.6 billion were \$3.4 billion greater than total expenses of \$35.2 billion (excluding capital contributions, transfers, and extraordinary items). Of these expenses, \$24.8 billion were covered by program revenues. General revenues, generated primarily from various taxes, totaled \$13.8 billion.

Fund-Level:

- *Governmental Funds – Fund Balance.* At the close of fiscal year 2021, the State's governmental fund assets exceeded liabilities by \$10.0 billion, an increase of \$3.4 billion or 50.7% from the prior year. The increase was due to the net effect of several factors. Revenues increased \$6.3 billion, primarily from an increase in federal grants of \$4.1 billion and related expenditures in Human Services increased \$1.4 billion due to an increase for Medicaid and Other Assistance Programs.
- *General Fund – Fund Balance.* At the end of the current fiscal year, the State's General Fund reported a balance of \$4.7 billion.

Additional information regarding individual funds begins on Page 8.

Debt Issued and Outstanding:

- The primary government's total long-term obligations related to bonds payable decreased \$315.2 million, or 12.6%, over the prior year. The outstanding bonds payable represents 14.3% of financial assets (cash, receivables, and investments) and 4.4% of total assets. On October 25, 2020, the Board of Public Buildings of the State of Missouri issued its Special Obligation Refunding Bonds, Series B 2020 in the amount of \$172.9 million to refund \$185.9 million of Board of Public Buildings Bond Series A 2012 and \$19.6 million of Board of Public Buildings Bond Series A 2013. Additionally, bond payments of \$282.6 million were made during the fiscal year. The State has financed purchases through direct borrowing with banks in the amount of \$20.4 million. Additional detail is available in *Note 11*.

Revenue Limit:

- The State Constitution limits the State's ability to retain revenue collected over an amount set by a constitutional amendment known as Article X. Excess revenue of 1.0% or more must be refunded to the taxpayers each year. During fiscal year 2021, the State did not exceed the revenue limit.

OVERVIEW OF THE FINANCIAL STATEMENTS

The State's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements:

The government-wide financial statements are designed to provide readers with a broad overview of the State's finances in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the State's assets, deferred outflows, liabilities, and deferred inflows, with the difference between them reported as *net position*. Increases or decreases in net position may serve as a useful indicator of the State's financial position.

The *Statement of Activities* presents information showing how the State's net position changed during the most recent fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of when the cash is received. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements report three activities:

Governmental Activities are primarily supported by taxes and intergovernmental revenues. They include general government, education, natural and economic resources, transportation and law enforcement, and human services.

Business-Type Activities are intended to recover all or a significant portion of their costs through user fees and charges. They include constructing or operating state park facilities, fairgrounds, historical properties and office buildings, hospital services, warehousing, merchandising, publishing maps and documents, insurance coverage, and inmate canteen. Also included are the operations of the State Lottery, Unemployment Compensation, and the Missouri Veterans' Homes funds.

Discretely Presented Component Units are operations for which the State has financial accountability, but are legally separate. They include the college and universities, Missouri Development Finance Board, Missouri Agricultural and Small Business Development Authority, Missouri Transportation Finance Corporation, Missouri Wine and Grape Board, and the State Environmental Improvement Energy Resources Authority.

Fund Financial Statements:

The fund financial statements present more detailed information about the government's operations than the government-wide statements. The State uses fund accounting to ensure and demonstrate compliance with statutory requirements. The funds of the State can be divided into three categories: governmental, proprietary, and fiduciary.

Governmental funds. Governmental funds are used to account for most of the basic services provided by the State. Unlike the government-wide financial statements, governmental fund financial statements focus on short-term inflows and outflows of current financial resources and utilize the modified accrual basis of accounting. This presentation focuses on when cash will be received and disbursed making the statements useful in evaluating a government's financing requirements in the near future.

Governmental funds include the general, special revenue, capital projects, debt service, and permanent funds. Major funds include general, public education, conservation and environmental protection, and the Missouri Road Fund which are presented in separate columns. Data from other governmental funds are combined into a single column for aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements in supplementary information.

A user can compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. A reconciliation to facilitate this comparison is provided on the page immediately following each governmental fund financial statement.

Proprietary funds. Proprietary funds are used to account for activities similar to private businesses in which goods and services are sold for specified fees. Generally, the State uses enterprise funds to account for activities that provide goods and services to the general public. These include constructing or operating state park facilities, fairgrounds, historical properties and office buildings, hospital services, warehousing, merchandising, and publishing maps and documents. Also included are the operations of the State Lottery, Unemployment Compensation, and the Missouri Veterans' Homes funds. Internal service funds report activities that provide supplies and services for the State's other programs and activities. The State uses internal service funds to account for insurance and health care plans, as well as administrative services for other state agencies, such as fleet management, data processing, and telecommunication services. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds focus on economic resources and utilize the full accrual basis of accounting. The proprietary fund financial statements provide separate information for the State Lottery, Unemployment Compensation, and Missouri Veterans' Homes, which are considered major enterprise funds. Non-major enterprise funds are also combined into a single column for aggregated presentation. All internal service funds are combined into a single column in the proprietary fund financial statements. Individual fund data for the non-major enterprise and internal service funds is provided in the form of combining statements in supplementary information.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside State government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the State's own programs. The fiduciary funds are presented using the full accrual basis of accounting.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information (RSI) including a budgetary comparison schedule for the General Fund and major special revenue funds and schedules for pension and other post-employment benefits. Other supplementary information includes the combining statements for the general, non-major governmental, non-major enterprise, internal service, fiduciary, and non-major component unit funds. It also includes the statistical section as well as budgetary comparison schedules and statements for the Missouri Road Fund, non-major special revenue, debt service, capital projects, and permanent funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position:

The State's total net position increased \$3.4 billion during fiscal year 2021. Cash and cash equivalents and investments increased \$2.5 billion. This was mainly due to \$1.3 billion received in stimulus funds during fiscal year 2021, as well as recognition of \$1.7 billion in revenues related to the state's spending of Coronavirus Relief Funds received in fiscal year 2020. The State also received a \$482.4 million dollar settlement from Johnson and Johnson and other distributors of opioids. Accounts receivable decreased \$714.3 million, while accounts payable for tax refunds also decreased mainly due to the delay in income tax filings following the State's extension of the deadline for filing income tax returns from April 15 to July 15 in fiscal year 2020. Capital assets increased \$391.4 million primarily related to an increase in investment in the State's infrastructure. The State issued the Board of Public Buildings Series B 2020 Refunding Bond in the amount of \$172.9 million to refund Series A 2012 and Series A 2013 of the Board of Public Building bonds. This refunding and bond payments of \$311.7 million resulted in Bonds Payable and the related unamortized bond premium liability to decrease by a total of \$323.4 million.

Net investment in capital assets, which includes capital assets, bonds payable, and capital lease/financed purchase obligations, is the largest component of the State's net position at \$32.1 billion or 99.1%. These assets include construction in progress, software in progress, infrastructure in progress, land, easements, land improvements, buildings, equipment, software, and trademarks which are not easily converted to cash or readily available to pay state debts as they come due. Net investment in capital assets and restricted net position, which do not represent resources available to pay day-to-day operating expenses, increased by \$2.1 billion or 5.7%. The increase was primarily due to the increase in capital assets of \$391.4 million and a decrease in related outstanding bond, capital lease, and financed purchase obligation of \$7.2 million.

Restricted net position of the primary government totaled \$6.4 billion or 19.8% of total net position vs. 16.8% from the prior year. Net position is restricted for several reasons including constitutional, legal, enabling legislation, or external requirements. Examples of restricted net position include lottery proceeds restricted for public education, funds restricted for debt service, and certain sales taxes restricted for the maintenance of highways or state parks and conservation areas. Also, many federal funds are restricted to funding certain programs.

The following table displays the current and prior year government-wide condensed Statement of Net Position.

STATEMENT OF NET POSITION (In Thousands of Dollars)						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020*	2021	2020*	2021	2020*
ASSETS:						
Current and Other Assets	\$ 14,516,173	\$ 12,575,374	\$ 975,753	\$ 1,039,053	\$ 15,491,926	\$ 13,614,427
Capital Assets, Net	34,059,361	33,665,651	115,518	117,822	34,174,879	33,783,473
<i>Total Assets</i>	<u>48,575,534</u>	<u>46,241,025</u>	<u>1,091,271</u>	<u>1,156,875</u>	<u>49,666,805</u>	<u>47,397,900</u>
DEFERRED OUTFLOWS:	<u>1,661,437</u>	<u>1,511,055</u>	<u>33,484</u>	<u>43,487</u>	<u>1,694,921</u>	<u>1,554,542</u>
LIABILITIES:						
Other Liabilities	2,478,209	3,908,822	60,893	55,513	2,539,102	3,964,335
Long-Term Liabilities	15,578,253	15,139,829	461,811	442,928	16,040,064	15,582,757
<i>Total Liabilities</i>	<u>18,056,462</u>	<u>19,048,651</u>	<u>522,704</u>	<u>498,441</u>	<u>18,579,166</u>	<u>19,547,092</u>
DEFERRED INFLOWS:	<u>418,446</u>	<u>457,949</u>	<u>8,440</u>	<u>5,827</u>	<u>426,886</u>	<u>463,776</u>
NET POSITION:						
Net Investment in Capital Assets	31,934,670	31,404,122	115,518	114,334	32,050,188	31,518,456
Restricted	6,377,346	4,838,035	24,078	25,223	6,401,424	4,863,258
Unrestricted	(6,549,953)	(7,996,677)	454,015	556,537	(6,095,938)	(7,440,140)
<i>Total Net Position</i>	<u>\$ 31,762,063</u>	<u>\$ 28,245,480</u>	<u>\$ 593,611</u>	<u>\$ 696,094</u>	<u>\$ 32,355,674</u>	<u>\$ 28,941,574</u>

*Fiscal year 2020 amounts have been restated.

Changes in Net Position:

The schedule below reflects how the State's net position changed during the year. The State collected program revenues of \$24.8 billion and general revenues of \$13.8 billion for total revenues of \$38.6 billion during fiscal year 2021. Expenses for the State during fiscal year 2021 were \$35.2 billion. Total net position, net of contributions and transfers, increased by \$3.4 billion.

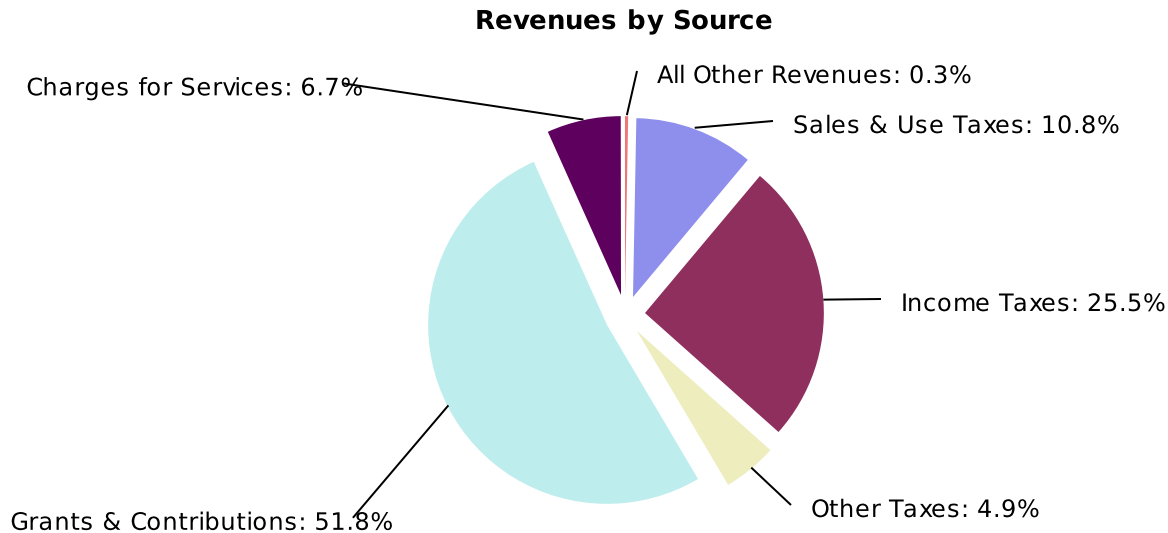
The following table displays the current and prior year government-wide condensed Statement of Activities.

STATEMENT OF ACTIVITIES (In Thousands of Dollars)						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020*	2021	2020*	2021	2020*
REVENUES:						
Program Revenues:						
Charges for Services	\$ 2,238,915	\$ 1,847,742	\$ 1,908,541	\$ 1,610,175	\$ 4,147,456	\$ 3,457,917
Operating Grants and Contributions	15,734,505	12,303,616	3,318,254	2,851,252	19,052,759	15,154,868
Capital Grants and Contributions	1,568,379	887,716	—	—	1,568,379	887,716
General Revenues:						
Sales and Use Taxes	3,608,744	3,728,384	—	—	3,608,744	3,728,384
Income Taxes	8,522,808	7,305,451	—	—	8,522,808	7,305,451
Other Taxes	1,621,968	1,617,197	—	—	1,621,968	1,617,197
Other Revenues	103,478	141,616	8,637	29,694	112,115	171,310
<i>Total Revenues</i>	<u>33,398,797</u>	<u>27,831,722</u>	<u>5,235,432</u>	<u>4,491,121</u>	<u>38,634,229</u>	<u>32,322,843</u>
EXPENSES:						
General Government	1,643,014	1,297,641	—	—	1,643,014	1,297,641
Education	7,547,604	7,065,810	—	—	7,547,604	7,065,810
Natural and Economic Resources	1,227,866	944,127	—	—	1,227,866	944,127
Transportation and Law Enforcement	2,926,687	2,127,151	—	—	2,926,687	2,127,151
Human Services	16,520,770	15,285,691	—	—	16,520,770	15,285,691
State Lottery	—	—	1,434,105	1,207,182	1,434,105	1,207,182
Unemployment Compensation	—	—	3,680,869	3,155,342	3,680,869	3,155,342
Missouri Veterans' Homes	—	—	91,958	125,103	91,958	125,103
State Fair Fees	—	—	2,255	5,406	2,255	5,406
State Parks and DNR	—	—	14,127	15,943	14,127	15,943
Historic Preservation	—	—	376	426	376	426
Petroleum Storage Tank Insurance	—	—	17,120	20,862	17,120	20,862
Surplus Property	—	—	1,719	1,856	1,719	1,856
Revenue Information	—	—	7	8	7	8
Inmate Canteen	—	—	32,496	30,333	32,496	30,333
All Other Expenses	80,878	98,134	—	—	80,878	98,134
<i>Total Expenses</i>	<u>29,946,819</u>	<u>26,818,554</u>	<u>5,275,032</u>	<u>4,562,461</u>	<u>35,221,851</u>	<u>31,381,015</u>
Increase (Decrease) in Net Position before Capital Contributions, Transfers, and Extraordinary Items	3,451,978	1,013,168	(39,600)	(71,340)	3,412,378	941,828
<i>Capital Contributions</i>	—	—	1,722	—	1,722	—
<i>Transfers and Extraordinary Items</i>	64,605	313,750	(64,605)	(313,750)	—	—
Change in Net Position	3,516,583	1,326,918	(102,483)	(385,090)	3,414,100	941,828
<i>Net Position – July 1</i>	28,245,480	26,918,562	696,094	1,081,184	28,941,574	27,999,746
<i>Net Position – June 30</i>	<u>\$ 31,762,063</u>	<u>\$ 28,245,480</u>	<u>\$ 593,611</u>	<u>\$ 696,094</u>	<u>\$ 32,355,674</u>	<u>\$ 28,941,574</u>
*Fiscal year 2020 amounts have been restated.						

Governmental Activities

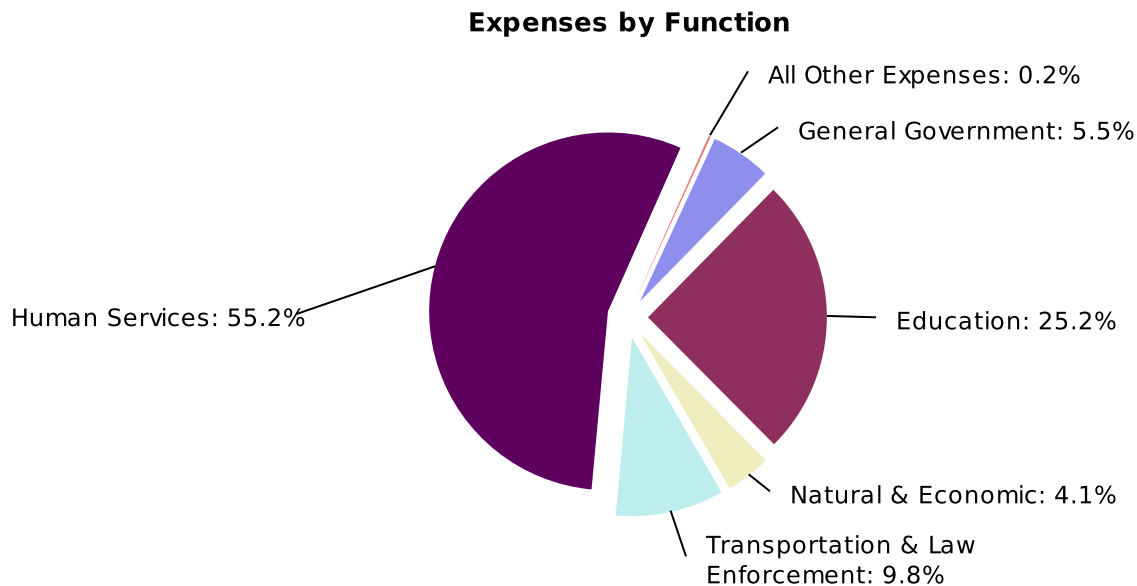
The net position of governmental activities increased \$3.5 billion in fiscal year 2021. General and program revenues of governmental activities were \$5.6 billion more in fiscal year 2021 than in fiscal year 2020, most notably due to an increase in grants and contributions.

As shown in the Revenues by Source chart below, approximately 41.2% of revenues from all sources earned came from taxes. Grants and contributions, which represents amounts received from other governments/entities, primarily the federal government, provided 51.8% of total revenue. Charges for services contributed 6.7% and various other revenues provided 0.3% of the remaining governmental activity revenue sources.



The State's governmental activities program expenses for fiscal year 2021 were \$3.1 billion more than fiscal year 2020. The most notable increase is \$1.2 billion in Human Services. This is mainly due to an increase for Medicaid and Other Assistance Programs.

As shown in the Expenses by Function chart below, expenses for Human Services comprised the largest portion of total governmental activities expenses at 55.2%, followed by Education at 25.2%.

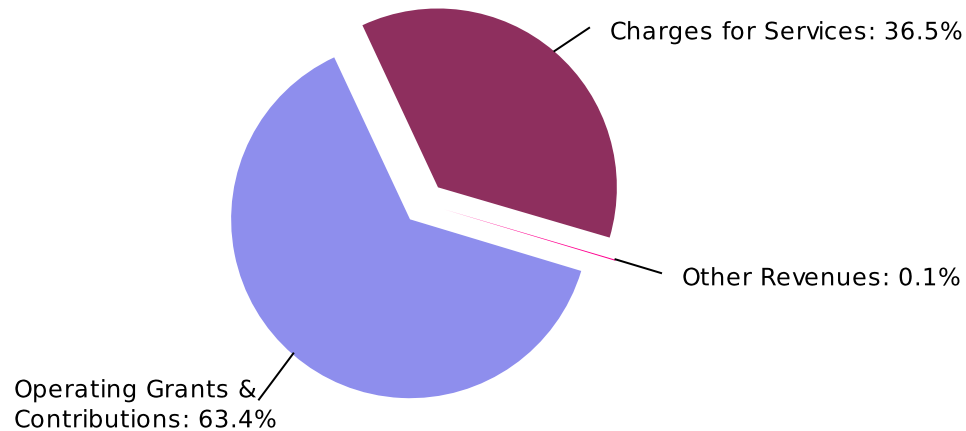


Business-Type Activities

Net position of the State's business-type activities decreased \$102.5 million in fiscal year 2021, primarily caused by a decrease in cash in Unemployment Compensation. The decrease was primarily caused by an increase in unemployment benefit costs as a result of COVID-19.

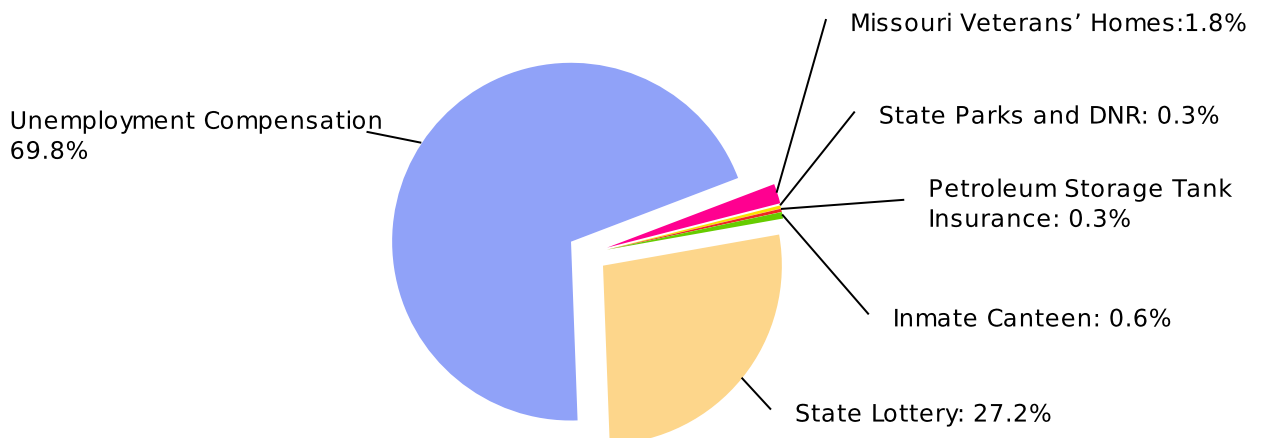
Revenues of business-type activities totaled \$5.2 billion. As shown in the Revenues by Source chart below, 36.5% of the revenues came from charges for services. Operating grants and contributions provided 63.4% of the total revenues and all other revenues provided 0.1%.

Revenues by Source



Expenses of business-type activities totaled \$5.3 billion. As shown in the Expenses by Fund chart below, Unemployment Compensation makes up the largest portion with 69.8% of total business-type expenses. State Lottery comes in second at 27.2%, followed by Missouri Veterans' Homes at 1.8%, Inmate Canteen at 0.6%, Petroleum Storage Tank Insurance at 0.3%, and State Parks and DNR at 0.3%.

Expenses by Fund



FINANCIAL ANALYSIS OF THE STATE'S INDIVIDUAL FUNDS

Governmental Funds:

At the end of fiscal year 2021, the State's governmental funds reported combined ending fund balances of \$10.0 billion. Approximately 61.4% is unrestricted and available for spending at the government's discretion. The remainder of fund balance is nonspendable and restricted to indicate that it is not available for new spending because it has already been allocated for: 1) inventories, 2) to pay debt service, 3) for loans receivable, and 4) for a variety of other purposes.

Fund balances (in thousands) for governmental funds are as follows:

	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Funds	Total
Nonspendable	\$ 173,918	\$ 124	\$ 228	\$ 41,855	\$ 71,869	\$ 287,994
Restricted	1,371,960	366,863	195,324	1,184,448	457,445	3,576,040
Committed	611,350	2,433	2,063,098	—	528,856	3,205,737
Assigned	144,642	32,979	108,731	—	267,406	553,758
Unassigned	2,396,068	—	—	—	—	2,396,068
Total	\$ 4,697,938	\$ 402,399	\$ 2,367,381	\$ 1,226,303	\$ 1,325,576	\$ 10,019,597

The General Fund is the chief operating fund of the State. At the end of fiscal year 2021, the State's General Fund reported a total fund balance of \$4.7 billion, an increase of \$2.2 billion from fiscal year 2020. In fiscal year 2020, the State extended the deadline for filing income tax returns from April 15 to July 15 causing a delay in income tax filings. As a result, fiscal year 2021 cash and investments increased while accounts receivable and deferred inflows of resources related to unavailable revenues decreased by a total of \$533.3 million. Additionally, the unearned revenue decreased by \$1.7 billion, the majority of which was related to the State's spending of the Coronavirus Relief Funds received in fiscal year 2020. As of June 30, 2021, \$149.2 million of Coronavirus Relief Funds remain in unearned revenue, which represents the amount unspent at the end of the fiscal year.

The Public Education Fund provides general and special education services to the children of the State and other related functions, such as library services and student loans. Fund balance ended the year with a balance of \$402.4 million, an increase of \$147.4 million or 57.8% from the previous fiscal year. This is mainly due to an increase in investments of \$68.2 million and an increase in due from other funds of \$49.3 million. The due from other funds increased because there were more lottery sales in fiscal year 2021 than in 2020 and the money had not been deposited into the Public Education Fund by the end of the fiscal year. Additionally, The Secretary of State Securities Division recovered a \$6.2 million settlement for Missouri investors involved in alternative investments of principally unsecured and unregistered companies at the cost of tens of thousands of dollars in undisclosed commissions and fees.

The Conservation and Environmental Protection Fund provides the preservation of the State's wildlife and environment. At the end of fiscal year 2021, the fund balance was \$2.4 billion, an increase of \$177.0 million from fiscal year 2020. Cash and cash equivalents and investments increased \$81.1 million while loans receivable increased \$121.4 million. This is primarily due to a refinancing of Clean Water and Drinking Water State Revolving Fund bonds. This transaction reduced the debt service and increased the loan receivable.

The Missouri Road Fund accounts for revenues from highway users' fees, federal reimbursements for highway projects, and bond proceeds to be used for costs of constructing and maintaining an adequate state highway system. Total fund balance increased \$276.1 million from fiscal year 2020. Revenues totaled \$1.6 billion while expenditures totaled \$1.9 billion. Total revenues increased by \$235.9 million from fiscal year 2020, mainly due to increases in Contributions and Intergovernmental from federal grants revenue, attributable to receiving funding from the Highway Infrastructure Programs - Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) passed by Congress in December 2020.

Proprietary Funds:

The State has three major proprietary funds: State Lottery, Unemployment Compensation, and Missouri Veterans' Homes Fund. The State Lottery Fund was established in 1986 to account for the sale of lottery tickets and lottery operations. Since 1992, public education has been the sole beneficiary of lottery proceeds. Unemployment Compensation accounts for contributions and payments collected from Missouri employers under the provision of the "Unemployment Compensation Law." This tax finances benefits for workers who become unemployed through no fault of their own. The Missouri Veterans' Homes Fund accounts for fees to provide services for persons confined to one of the veterans' homes. The fund pays for the maintenance, use, or benefit of any of these institutions.

The State Lottery Fund's net position decreased by \$2.6 million in fiscal year 2021, due mainly to fluctuation in market yields, which increase or reduce the unrealized gain on investments. Total operating revenues increased by 19.8%, while operating expenses increased by 18.8% in fiscal year 2021. Prize expense increased by \$203.5 million, while ticket sales increased by \$301.6 million. The sales increase was the result of an increase in Scratchers sales by \$180.5 million, or 17.4%, an increase in Draw Game sales by \$74.6 million, or 20.3%, and an increase in Pull-Tab sales by \$43.7 million, or 39.9%, due to additional machine placements (434 dispensers at June 30, 2021 compared to 332 at June 30, 2020) and a full 52 weeks of sales during fiscal year 2021.

The Unemployment Compensation Fund's net position declined by \$89.2 million during fiscal year 2021. This is mainly due to a decrease in cash of \$62.0 million and a decrease in accounts receivable of \$28.3 million. The decrease in accounts receivable is due to a declining amount of benefits paid during fiscal year 2021, and therefore a decline in amounts due to Missouri from other states at the end of the fiscal year. However, the decrease in cash is mainly due to more benefits continuing to be paid than the average amount paid prior to the pandemic.

The Missouri Veterans' Homes Fund's net position decreased by \$12.8 million, or 9.9% in fiscal year 2021, primarily due to a 28.1% decrease in contributions and intergovernmental revenue from the previous fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget is the appropriated budget that is truly agreed to and finally passed by the legislature, and signed by the Governor at the beginning of the fiscal year. The final budget includes emergency and supplemental appropriations, reverted amounts, and increases to estimated appropriations, which occur during the fiscal year.

Budgeted charges to appropriations for fiscal year 2021 from the General Fund were \$38.1 billion original budget and \$41.3 billion final budget. Actual spending was \$29.1 billion. Reasons for the final budget variances include:

- Appropriation authority exceeded cash available for expenditures.
- Lapse of various appropriations.
- Multiple year grants are appropriated in one year, but the expenditures may occur over several years.
- Capital improvement appropriations were restricted during the budget process.

Budgeted revenues/transfers in for fiscal year 2021 for the General Fund were \$41.1 billion original budget and \$41.5 billion final budget. Actual revenue/transfers in was \$30.4 billion. Due to COVID-19 and the uncertainty of federal support, larger than normal appropriations were passed to grant exceptional flexibility and ensure government responsiveness.

Refer to the *Notes to RSI*, Budgetary Reporting, on page 143 for more information on budgetary variances.

GOVERNMENT-WIDE CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets:

The State's investment in capital assets for its governmental and business-type activities as of June 30, 2021, was \$34.2 billion (net of accumulated depreciation/amortization). This investment in capital assets includes construction in progress, software in progress, infrastructure in progress, land, permanent easements, land improvements, temporary easements, buildings and improvements, equipment, software, trademarks, and infrastructure.

Capital Assets of the State include (in thousands):

	Governmental Activities	Business-Type Activities	Total
Construction in Progress	\$ 269,798	\$ 2,129	\$ 271,927
Software in Progress	110,092	—	110,092
Infrastructure in Progress	1,940,445	—	1,940,445
Land	3,087,366	32,668	3,120,034
Permanent Easements	10,033	—	10,033
Land Improvements	243,855	51,722	295,577
Temporary Easements	3,033	50	3,083
Buildings and Improvements	3,741,768	59,678	3,801,446
Equipment	1,450,863	55,974	1,506,837
Software	303,644	771	304,415
Trademarks	17	—	17
Infrastructure	52,844,177	—	52,844,177
<i>Subtotal</i>	<i>64,005,091</i>	<i>202,992</i>	<i>64,208,083</i>
Less Accumulated Depreciation/ Amortization	(29,945,730)	(87,474)	(30,033,204)
Total Capital Assets, Net	\$ 34,059,361	\$ 115,518	\$ 34,174,879

Additional information on capital assets can be found in *Note 5* of this report.

Debt Administration:

At the end of fiscal year 2021, the primary government had total general obligation and other bonded debt outstanding of \$2.2 billion. Of this amount, \$28.7 million comprises debt backed by the full faith and credit of the government. The State had an additional \$20.4 million of financed purchases from direct borrowings obligation outstanding.

Principal amounts retired or refunded in fiscal year 2021 were \$15.9 million for general obligation bonds, \$472.2 million for other bonds, and \$16.1 million for direct borrowings.

The State of Missouri is proud to have maintained a Triple-A credit rating since 1989 from all three major credit rating agencies (Moody's Investor Services, Inc., Standard and Poor's, and Fitch Ratings, Inc.) on the State's General Obligation Bonds.

Outstanding Bonds Payable Financed Purchase Obligation of the State include (in thousands):

	Governmental Activities	Component Units	Total
General Obligation Bonds	\$ 28,650	\$ —	\$ 28,650
Other Bonds	2,164,800	2,148,139	4,312,939
Direct Placements	—	152,387	152,387
Financed Purchases from Direct Borrowings	20,429	9,229	29,658
Total	\$ 2,213,879	\$ 2,309,755	\$ 4,523,634

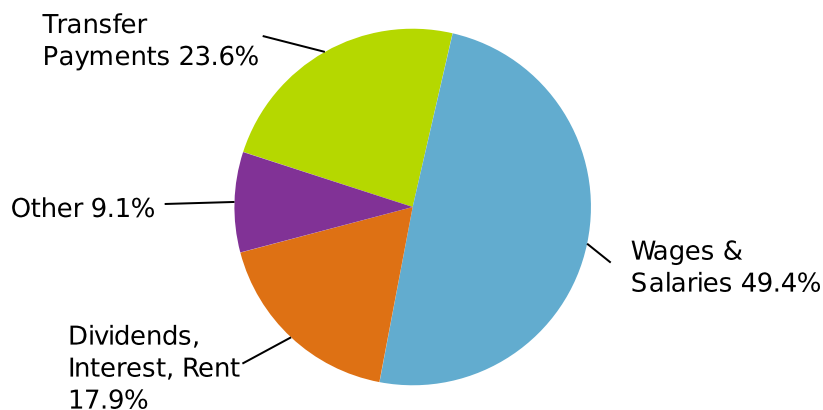
Additional information on long-term debt can be found in *Notes 10, 11, and 12* of this report.

ECONOMIC OUTLOOK AND NEXT YEAR'S BUDGET

As a major manufacturing, financial, and agricultural state, Missouri's economic health is tied closely to that of the nation. Missouri's personal income, which directly impacts individual income tax and sales tax, increased 5.4% in 2020. Missouri's employment stood at 2.8 million in June 2021, about 5.0% above June 2020. The State's seasonally adjusted unemployment rate registered at 4.2% in July 2021, compared to 6.8% one year earlier. The national rate was 5.4% in July 2021.

Since 2013, personal incomes have increased, on average, 3.2% annually for the State and 4.0% for the nation. The average income of Missouri citizen was \$51,177 in 2020, which was lower than the national average of \$59,729. Missouri's per capita personal income grew 5.2% compared to national growth in per capita income of 5.8% from 2019 to 2020. While the State's per capita income is lower than the national average, so is the cost of living. Missouri is among the most affordable states as it had the sixth lowest cost of living in the United States in the first quarter of 2021. The below graph depicts the components of personal income, with transfer payments (such as social security, Medicare, etc.) comprising 23.6% of the State's total personal income, due in part to the State's aging population and transfer payments reflect new government relief payments provided by the CARES Act of 2020.

**Components of Personal Income
Missouri - 2020**



Source: U.S. Bureau of Economic Analysis 2020

The State of Missouri's net general revenue collections in fiscal year 2021 were \$11.2 billion, a 25.8% increase from fiscal year 2020 collections. This increase is primarily due to the shifting of the due date for state income taxes from April 15 to July 15 which resulted in a significant amount of fiscal year 2020 revenues being pushed into fiscal year 2021.

The State's economic outlook for Fiscal Year 2022 anticipates continued improvement in employment and wages, while consumption is expected to slow as federal stimulus wanes. Since Fiscal Year 2021 finished significantly above forecast, the Governor has begun Fiscal Year 2022 with no restrictions in place on general revenue spending. However, the Governor may restrict spending during the fiscal year if necessary.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the State's finances for all those with an interest in the State's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of Administration, Division of Accounting, P.O. Box 809, Jefferson City, MO 65102.



*The **Basic Financial Statements** include the Government-Wide Financial Statements, the Governmental Fund Financial Statements, the Proprietary Fund Financial Statements, the Fiduciary Fund Financial Statements, the Component Unit Financial Statements, and the accompanying notes to the statements.*

STATE OF MISSOURI
STATEMENT OF NET POSITION
June 30, 2021
(In Thousands of Dollars)

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Units
Assets				
Cash and Cash Equivalents (Note 3)	\$ 3,429,529	\$ 694,757	\$ 4,124,286	\$ 823,659
Investments (Note 3)	5,423,366	128,262	5,551,628	3,310,677
Invested Securities Lending Collateral (Note 3)	—	—	—	9,230
Receivables, Net (Note 13)	5,411,070	170,354	5,581,424	850,860
Internal Balances	61,493	(61,493)	—	—
Inventories	170,195	5,033	175,228	61,855
Deposits and Prepaid Expenses	253	—	253	40,083
Restricted Assets:				
Cash and Cash Equivalents (Note 3)	8,545	—	8,545	370,627
Investments (Note 3)	11,722	38,840	50,562	2,140,372
Receivables, Net	—	—	—	75,820
Other Assets	—	—	—	18,087
Capital Assets (Note 5):				
Non-Depreciable	5,417,734	34,797	5,452,531	585,850
Depreciable, Net	28,641,627	80,721	28,722,348	5,130,422
Total Assets	48,575,534	1,091,271	49,666,805	13,417,542
Deferred Outflows of Resources (Note 14)	1,661,437	33,484	1,694,921	393,914
Liabilities				
Payables (Note 13)	1,985,115	59,784	2,044,899	828,103
Securities Lending Obligation (Note 3)	—	—	—	9,230
Unearned Revenue (Note 1)	367,332	1,109	368,441	175,743
Escheat/Unclaimed Property	125,762	—	125,762	—
Long-Term Liabilities (Note 10):				
Due Within One Year	697,349	118,476	815,825	254,156
Due in More Than One Year	14,880,904	343,335	15,224,239	4,100,332
Total Liabilities	18,056,462	522,704	18,579,166	5,367,564
Deferred Inflows of Resources (Note 14)	418,446	8,440	426,886	747,802
Net Position				
Net Investment in Capital Assets	31,934,670	115,518	32,050,188	3,335,684
Restricted for:				
Budget Reserve	603,023	—	603,023	—
Debt Service	597,481	—	597,481	—
Grants	1,368,863	—	1,368,863	—
Enabling Legislation (Note 1)	750,577	—	750,577	—
Loans Receivable	1,625,247	—	1,625,247	—
Permanent Trusts:				
Expendable	124	—	124	852,570
Non-Expendable	64,924	—	64,924	1,703,941
External Parties	1,367,107	24,078	1,391,185	99,517
Unrestricted	(6,549,953)	454,015	(6,095,938)	1,704,378
Total Net Position	\$ 31,762,063	\$ 593,611	\$ 32,355,674	\$ 7,696,090

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 1,643,014	\$ 1,000,736	\$ 82,749	\$ —
Education	7,547,604	20,991	1,662,257	—
Natural and Economic Resources	1,227,866	322,931	448,706	—
Transportation and Law Enforcement	2,926,687	232,756	895,147	1,568,318
Human Services	16,520,770	651,468	12,645,646	61
Interest on Debt (Excluding Direct Expense)	80,878	10,033	—	—
Total Governmental Activities	<u>29,946,819</u>	<u>2,238,915</u>	<u>15,734,505</u>	<u>1,568,379</u>
Business-Type Activities:				
State Lottery	1,434,105	1,828,313	—	—
Unemployment Compensation	3,680,869	—	3,257,863	—
Missouri Veterans' Homes	91,958	15,498	57,760	—
State Fair Fees	2,255	1,171	91	—
State Parks and DNR	14,127	14,302	2,510	—
Historic Preservation	376	—	—	—
Petroleum Storage Tank Insurance	17,120	17,359	—	—
Surplus Property	1,719	1,234	—	—
Revenue Information	7	629	—	—
Inmate Canteen Fund	32,496	30,035	30	—
Total Business-Type Activities	<u>5,275,032</u>	<u>1,908,541</u>	<u>3,318,254</u>	<u>—</u>
Total Primary Government	<u>\$ 35,221,851</u>	<u>\$ 4,147,456</u>	<u>\$ 19,052,759</u>	<u>\$ 1,568,379</u>
Component Units:				
College and Universities	\$ 4,774,112	\$ 3,482,425	\$ 1,752,673	\$ 114,542
Non-Major Component Units	11,232	6,920	—	—
Total Component Units	<u>\$ 4,785,344</u>	<u>\$ 3,489,345</u>	<u>\$ 1,752,673</u>	<u>\$ 114,542</u>

General Revenues:

Taxes:

Sales and Use

Individual Income

Corporate Income

County Foreign Insurance

Alcoholic Beverage

Fuel

Miscellaneous Taxes

Grants and Contributions not Restricted to Specific Programs

Unrestricted Investment Earnings

Capital Contributions

Special Items

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units
\$ (559,529)	\$ —	\$ (559,529)	\$ —
(5,864,356)	—	(5,864,356)	—
(456,229)	—	(456,229)	—
(230,466)	—	(230,466)	—
(3,223,595)	—	(3,223,595)	—
(70,845)	—	(70,845)	—
(10,405,020)	—	(10,405,020)	—
—	394,208	394,208	—
—	(423,006)	(423,006)	—
—	(18,700)	(18,700)	—
—	(993)	(993)	—
—	2,685	2,685	—
—	(376)	(376)	—
—	239	239	—
—	(485)	(485)	—
—	622	622	—
—	(2,431)	(2,431)	—
—	(48,237)	(48,237)	—
(10,405,020)	(48,237)	(10,453,257)	—
—	—	—	575,528
—	—	—	(4,312)
—	—	—	571,216
3,608,744	—	3,608,744	—
7,823,595	—	7,823,595	—
699,213	—	699,213	—
266,086	—	266,086	—
38,913	—	38,913	—
621,624	—	621,624	—
695,345	—	695,345	—
76,752	—	76,752	2,899
26,726	8,637	35,363	801,244
—	1,722	1,722	—
—	—	—	2,559
64,605	(64,605)	—	—
13,921,603	(54,246)	13,867,357	806,702
3,516,583	(102,483)	3,414,100	1,377,918
28,245,480	696,094	28,941,574	6,318,172
\$ 31,762,063	\$ 593,611	\$ 32,355,674	\$ 7,696,090

The notes to the financial statements are an integral part of this statement.



*The **Governmental Funds** focus on current financial resources.*

Governmental Fund Financial Statements

Major Funds

General Fund - Accounts for all current financial resources not required by law or administrative action to be accounted for in another fund.

Major Special Revenue Funds:

Public Education - Provides general and special education needs of the State and other related areas such as library services and student loans.

Conservation and Environmental Protection - Provides for the preservation of the State's wildlife and environment.

Major Capital Projects Fund:

Missouri Road Fund - Accounts for revenues from highway users' fees, federal reimbursements for highway projects, and bond proceeds to be used for costs of constructing and maintaining an adequate state highway system.

Non-Major Funds

Non-Major Governmental Funds are presented in the Combining and Individual Fund Statements for non-major funds as part of Supplementary Information.

**STATE OF MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021
(In Thousands of Dollars)**

	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Funds	Totals June 30, 2021
ASSETS						
Cash and Cash Equivalents (Note 3)	\$ 1,858,178	\$ 106,538	\$ 243,329	\$ 491,579	\$ 427,652	\$ 3,127,276
Investments (Note 3)	2,989,538	119,846	555,932	788,894	773,677	5,227,887
Accounts Receivable, Net	3,196,325	151,035	44,600	118,671	185,147	3,695,778
Interest Receivable	6,066	851	2,036	1,094	532	10,579
Due from Other Funds (Note 15)	—	58,766	—	—	1,553	60,319
Due from Component Units (Note 15)	—	—	10	—	—	10
Inventories	110,483	124	228	41,855	6,945	159,635
Advance to Component Units (Note 15)	—	—	98	—	—	98
Loans Receivable	63,435	738	1,559,490	—	1,584	1,625,247
Restricted Assets:						
Cash and Cash Equivalents (Note 3)	—	—	—	7,117	—	7,117
Investments (Note 3)	—	—	—	11,422	—	11,422
Total Assets	<u>\$ 8,224,025</u>	<u>\$ 437,898</u>	<u>\$ 2,405,723</u>	<u>\$1,460,632</u>	<u>\$1,397,090</u>	<u>\$13,925,368</u>
LIABILITIES						
Accounts Payable	\$ 1,638,189	\$ 2,147	\$ 19,388	\$ 93,608	\$ 52,463	\$ 1,805,795
Accrued Payroll	58,720	163	5,067	17,291	12,266	93,507
Due to Other Funds (Note 15)	6,908	1	353	332	1,115	8,709
Unearned Revenue (Note 1)	217,112	—	173	118,638	—	335,923
Escheat/Unclaimed Property	125,762	—	—	—	—	125,762
Total Liabilities	<u>2,046,691</u>	<u>2,311</u>	<u>24,981</u>	<u>229,869</u>	<u>65,844</u>	<u>2,369,696</u>
DEFERRED INFLOWS OF RESOURCES (Note 14)						
	<u>1,479,396</u>	<u>33,188</u>	<u>13,361</u>	<u>4,460</u>	<u>5,670</u>	<u>1,536,075</u>
FUND BALANCES (Note 4)						
Nonspendable	173,918	124	228	41,855	71,869	287,994
Restricted	1,371,960	366,863	195,324	1,184,448	457,445	3,576,040
Committed	611,350	2,433	2,063,098	—	528,856	3,205,737
Assigned	144,642	32,979	108,731	—	267,406	553,758
Unassigned	2,396,068	—	—	—	—	2,396,068
Total Fund Balances	<u>4,697,938</u>	<u>402,399</u>	<u>2,367,381</u>	<u>1,226,303</u>	<u>1,325,576</u>	<u>10,019,597</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,224,025</u>	<u>\$ 437,898</u>	<u>\$ 2,405,723</u>	<u>\$1,460,632</u>	<u>\$1,397,090</u>	<u>\$13,925,368</u>

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2021
(In Thousands of Dollars)

Total Fund Balances - Governmental Funds	\$ 10,019,597
--	---------------

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental funds are not financial resources and are not reported in the funds. These assets consist of (Note 5):

Construction in Progress	269,760	
Software in Progress	107,692	
Infrastructure in Progress	1,940,445	
Land	3,079,032	
Permanent Easements	10,033	
Land Improvements	240,263	
Temporary Easements	3,033	
Buildings and Improvements	3,246,773	
Equipment	1,307,644	
Software	257,521	
Trademarks	17	
Infrastructure	52,844,177	
Accumulated Depreciation/Amortization	(29,526,910)	
		33,779,480

Deferred inflows of resources related to the State's revenues that will be collected after year-end, but are not available soon enough to pay for the current period's expenditures are deferred in the funds.	1,536,075
--	-----------

Deferred outflows of resources related to pensions and OPEB (Other Postemployment Benefits) are applicable to future reporting periods and therefore, not reported in the funds.	1,614,227
--	-----------

Deferred outflows of resources related to asset retirement obligations are applicable to future reporting periods and therefore, not reported in the funds.	792
---	-----

Deferred inflows of resources related to pensions and OPEB are applicable to future reporting periods and therefore, not reported in the funds.	(409,804)
---	-----------

Deferred outflows of resources related to deferred charges or credits on debt refundings are applicable to future reporting periods and therefore, not reported in the funds.	17,106
---	--------

Deferred inflows of resources related to deferred charges or credits on debt refundings are applicable to future reporting periods and therefore, not reported in the funds.	(2,383)
--	---------

Some liabilities are not due and payable in the current period and therefore, not reported in the funds. Those liabilities consist of (Note 10):

Due to Other Entities	(812)	
General Obligation and Other Bonds Payable	(2,193,450)	
Unamortized Bond Premium	(117,353)	
Accrued Interest on Bonds	(20,254)	
Obligation under Financed Purchases	(11,545)	
Obligation under Capital Lease	(16,182)	
Pollution Remediation	(48,134)	
Asset Retirement Obligations	(1,799)	
Compensated Absences	(186,238)	
Claims Liability	(22,079)	
Contingent Liabilities	(2,287,138)	
Net Other Postemployment Benefit Obligation	(3,167,645)	
Net Pension Liability	(7,148,683)	
		(15,221,312)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The assets and liabilities are included in governmental activities in the Statement of Net Position.	428,285
--	---------

Net Position of Governmental Activities	\$ 31,762,063
---	---------------

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Funds	Eliminations	Totals June 30, 2021
Revenues:							
Taxes	\$10,866,236	\$ 1,421,617	\$ 247,587	\$ 214,180	\$1,137,519	\$ —	\$ 13,887,139
Licenses, Fees, and Permits	101,199	2,386	86,781	116,235	430,000	—	736,601
Sales	2,538	5	7,728	—	1,727	—	11,998
Leases and Rentals	13	52	432	—	1	—	498
Services	128,936	—	—	—	1,307	—	130,243
Contributions and Intergovernmental	15,708,889	6,218	72,221	1,254,291	335,577	—	17,377,196
Investment Earnings:							
Net Increase (Decrease) in the Fair Value of Investments	(7,566)	(600)	(5,478)	(192)	(3,795)	—	(17,631)
Interest	22,646	1,297	27,582	132	1,953	—	53,610
Penalties and Unclaimed Properties	63,055	1,193	2,622	—	499,911	—	566,781
Cost Reimbursement/ Miscellaneous	374,147	56,372	10,443	18,978	59,922	—	519,862
Total Revenues	27,260,093	1,488,540	449,918	1,603,624	2,464,122	—	33,266,297
Expenditures:							
Current:							
General Government	1,168,436	415	2,394	—	237,168	—	1,408,413
Education	4,810,289	2,706,236	—	—	3,176	—	7,519,701
Natural and Economic Resources	544,949	15,305	267,248	—	246,856	—	1,074,358
Transportation and Law Enforcement	1,391,702	178	827	751,879	287,350	—	2,431,936
Human Services	15,591,989	2,876	1,706	—	611,785	—	16,208,356
Capital Outlay:							
General Government	—	—	—	—	7,270	—	7,270
Natural and Economic Resources	—	—	—	—	23	—	23
Transportation and Law Enforcement	—	—	—	1,019,614	—	—	1,019,614
Human Services	—	—	—	—	434	—	434
Debt Service:							
Principal	47,798	—	—	94,050	144,782	—	286,630
Interest	20,090	—	—	18,507	75,763	—	114,360
Bond Issuance Costs	339	—	—	—	—	—	339
Underwriter's Discount	47	—	—	—	—	—	47
Total Expenditures	23,575,639	2,725,010	272,175	1,884,050	1,614,607	—	30,071,481
Excess Revenues (Expenditures)	3,684,454	(1,236,470)	177,743	(280,426)	849,515	—	3,194,816
Other Financing Sources (Uses):							
Proceeds from Notes/Capital Leases/ Financed Purchases	5,613	—	—	—	3,660	—	9,273
Issuance of Refunding Bonds	172,850	—	—	—	—	—	172,850
Payments to Escrow Agent	(208,893)	—	—	—	—	—	(208,893)
Bond Premium (Note 10)	36,429	—	—	—	—	—	36,429
Proceeds from Sale of Capital Assets	211	—	23	4,397	8,571	—	13,202
Transfers In (Note 16)	48,085	1,413,806	1,094	552,174	267,112	(1,878,841)	403,430
Transfers Out (Note 16)	(1,648,142)	(29,933)	(1,805)	—	(538,329)	1,878,841	(339,368)
Total Other Financing Sources (Uses)	(1,593,847)	1,383,873	(688)	556,571	(258,986)	—	86,923
Net Change in Fund Balances	2,090,607	147,403	177,055	276,145	590,529	—	3,281,739
Fund Balances - Beginning (Note 17)	2,521,834	255,017	2,190,374	950,158	732,864	—	6,650,247
Increase (Decrease) in Reserve for Inventory	85,497	(21)	(48)	—	2,183	—	87,611
Fund Balances - Ending	\$ 4,697,938	\$ 402,399	\$ 2,367,381	\$1,226,303	\$1,325,576	\$ —	\$ 10,019,597

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES IN
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

Net Change in Fund Balances - Total Governmental Funds \$ 3,281,739

Amounts reported for governmental activities in the Statement of Activities are different because:

Inventories, which are recorded under the purchases method for governmental fund reporting, are reported under the consumption approach on the Statement of Activities. As a result of this change, the Increase in Reserve for Inventories on the fund statement has been reclassified as a functional expense on the government-wide statement. 87,611

Governmental funds report capital outlays as expenditures. In the Statement of Activities, however, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount that capital outlays of \$1,151,062, exceeds depreciation/amortization of \$732,245 in the current period. 418,817

In the Statement of Activities only the gain/loss on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sales increase financial resources. Thus the change in net position differs from the change in governmental fund balance by the net book value of the assets sold. (12,751)

The net effect of the donation of capital assets increased net position. 55

Deferred inflows do not provide current financial resources and are not recognized as revenues until available in governmental funds. (93,924)

Pension and OPEB (Other Postemployment Benefits) contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability and OPEB liability are measured a year before the report date. Pension expense and OPEB expense, which are the change in the net pension liability and the net change in OPEB liability, adjusted for changes in deferred outflows and inflows of resources related to pensions and OPEB, is reported in the Statement of Activities.

Pension Contributions	614,699
Pension Expense	(997,932)
OPEB Contributions	93,962
OPEB Expense	(168,121)

Deferred outflows of resources related to deferred charges on asset retirement obligations are applicable to future reporting periods and therefore, not reported in the funds. (29)

Proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. In governmental funds, repayment of principal is an expenditure, but the repayment reduces long-term liabilities in the Combined Statement of Net Position (Note 10):

Bonds Issued	(172,850)	
Bond Premiums and Refunding Costs	(33,022)	
Bonds Retired	484,580	
Financed Purchases Issued	(9,272)	
Financed Purchase Payments	5,960	
Capital Lease Payments	1,574	
		276,970

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, not reported as expenditures in governmental funds (Note 10):

Amortization of Bond Premium and Refunding Costs	31,126	
Decrease in Accrued Interest	3,349	
Decrease in Pollution Remediation	130	
Increase in Asset Retirement Obligations	(7)	
Increase in Due to Other Entities	(28)	
Increase in Compensated Absences	(942)	
Increase in Contingent Liabilities	(85,305)	
Decrease in Claims Liability	4,105	
		(47,572)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and telecommunications, to individual funds. The net revenue and expense of internal service funds are reported with governmental activities. 63,059

Change in Net Position of Governmental Activities \$ 3,516,583

The notes to the financial statements are an integral part of this statement.



*The **Proprietary Funds** focus on economic resources and are operated in a manner similar to private business enterprises.*

Proprietary Fund Financial Statements

Major Funds

State Lottery - Accounts for proceeds from the sale of lottery tickets and all other moneys credited or transferred to this fund. A minimum of 45% of the moneys are used for prizes.

Unemployment Compensation - Accounts for contributions and payments collected under the provisions of the “Unemployment Compensation Law” to pay benefits.

Missouri Veterans' Homes - Accounts for fees to provide services for persons confined to one of the veterans' homes.

Non-Major Funds

Non-major enterprise funds and all internal service funds are presented in our combining non-major fund financial statements as part of Supplementary Information.

**STATE OF MISSOURI
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2021
(In Thousands of Dollars)**

Business-Type Activities - Enterprise Funds							
Major Funds							
	State Lottery	Unemployment Compensation	Missouri Veterans' Homes	Non-Major Funds	Eliminations	Totals June 30, 2021	Governmental Activities Internal Service Funds
ASSETS							
Current Assets:							
Cash and Cash Equivalents (Note 3)	\$ 49,651	\$ 602,442	\$ 13,474	\$ 29,190	\$ —	\$ 694,757	\$ 302,253
Investments (Note 3)	69,002	—	11,127	48,133	—	128,262	51,262
Restricted:							
Investments (Note 3)	4,101	—	—	—	—	4,101	100
Accounts Receivable, Net	59,195	103,606	5,053	2,274	—	170,128	79,095
Interest Receivable	61	—	11	69	—	141	262
Due from Other Funds (Note 15)	—	—	—	154	(2)	152	8,898
Due from Component Units (Note 15)	—	—	—	—	—	—	1
Inventories	—	—	924	4,109	—	5,033	10,560
Prepaid Items	—	—	—	—	—	—	253
Loans Receivable	—	—	—	85	—	85	—
Total Current Assets	182,010	706,048	30,589	84,014	(2)	1,002,659	452,684
Non-Current Assets:							
Investments	—	—	—	—	—	—	144,217
Restricted:							
Cash and Cash Equivalents (Note 3)	—	—	—	—	—	—	1,428
Investments (Note 3)	34,739	—	—	—	—	34,739	200
Capital Assets (Note 5):							
Construction in Progress	—	—	—	2,129	—	2,129	38
Software in Progress	—	—	—	—	—	—	2,400
Land	353	—	—	32,315	—	32,668	8,334
Land Improvements	—	—	483	51,239	—	51,722	3,592
Temporary Easements	—	—	—	50	—	50	—
Buildings	4,560	—	1,534	53,584	—	59,678	494,995
Equipment	7,326	—	12,703	35,945	—	55,974	143,219
Software	370	—	209	192	—	771	46,123
Less Accumulated Depreciation/Amortization	(10,811)	—	(10,331)	(66,332)	—	(87,474)	(418,820)
Total Non-Current Assets	36,537	—	4,598	109,122	—	150,257	425,726
Total Assets	218,547	706,048	35,187	193,136	(2)	1,152,916	878,410
DEFERRED OUTFLOWS OF RESOURCES (Note 14)	4,131	—	25,128	4,225	—	33,484	29,312
LIABILITIES							
Current Liabilities:							
Accounts Payable	9,358	43,794	1,297	2,743	—	57,192	23,362
Accrued Payroll	297	—	2,057	238	—	2,592	1,972
Due to Other Funds (Note 15)	58,823	1,553	68	15	(2)	60,457	40,428
Unearned Revenue (Note 1)	499	—	111	499	—	1,109	31,409
Claims Liability (Note 10)	—	—	—	11,000	—	11,000	79,791
Grand Prize Winner Liability (Note 10)	102,048	—	—	—	—	102,048	—
Obligations under Financed Purchases (Note 10)	—	—	—	—	—	—	6,122
Obligations under Lease Purchase (Note 10)	—	—	—	—	—	—	2,085
Compensated Absences (Note 10)	805	—	4,145	478	—	5,428	3,591
Total Current Liabilities	171,830	45,347	7,678	14,973	(2)	239,826	188,760
Non-Current Liabilities:							
Claims Liability (Note 10)	—	—	—	76,213	—	76,213	55,392
Grand Prize Winner Liability (Note 10)	31,628	—	—	—	—	31,628	—
Obligations under Financed Purchases (Note 10)	—	—	—	—	—	—	2,762
Obligations under Lease Purchase (Note 10)	—	—	—	—	—	—	20,224
Compensated Absences (Note 10)	—	—	—	36	—	36	1,262
Asset Retirement Obligations (Note 10)	—	—	—	2	—	2	—
Net OPEB Liability (Note 10)	7,539	—	45,123	4,074	—	56,736	50,625
Net Pension Liability (Note 10)	22,308	—	142,609	13,803	—	178,720	155,341
Total Non-Current Liabilities	61,475	—	187,732	94,128	—	343,335	285,606
Total Liabilities	233,305	45,347	195,410	109,101	(2)	583,161	474,366
DEFERRED INFLOWS OF RESOURCES (Note 14)	867	—	6,690	883	—	8,440	6,259
NET POSITION							
Net Investment in Capital Assets	1,798	—	4,598	109,122	—	115,518	248,688
Restricted for:							
Other Purposes	3,110	20,968	—	—	—	24,078	1,666
Unrestricted	(16,402)	639,733	(146,383)	(21,745)	—	455,203	176,743
Total Net Position (Note 18)	\$ (11,494)	\$ 660,701	\$ (141,785)	\$ 87,377	\$ —	\$ 594,799	\$ 427,097
Total Net Position Reported Above						\$ 594,799	
Consolidation Adjustment of Internal Service Activities Related to Enterprise Funds						(1,188)	
Net Position of Business-Type Activities						\$ 593,611	

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Business-Type Activities - Enterprise Funds					Governmental Activities Internal Service Funds
	Major Funds				Totals	
	State Lottery	Unemployment Compensation	Missouri Veterans' Homes	Non-Major Funds	June 30, 2021	
Operating Revenues:						
Employer Contributions	\$ —	\$ 294,129	\$ —	\$ —	\$ 294,129	\$ 570,060
Employee Contributions	—	—	—	—	—	146,449
Federal Contracts	—	2,961,900	—	—	2,961,900	—
Medicare Part D Subsidy	—	—	—	—	—	8,828
Licenses, Fees, and Permits	—	—	—	27,420	27,420	9,786
Sales	1,827,552	—	204	31,312	1,859,068	19,823
Leases and Rentals	—	—	—	3,770	3,770	61,437
Charges for Services	—	—	15,294	—	15,294	144,632
Cost Reimbursement/Miscellaneous	761	—	—	1,545	2,306	51,585
Total Operating Revenues	1,828,313	3,256,029	15,498	64,047	5,163,887	1,012,600
Operating Expenses:						
Cost of Goods Sold	36,227	—	—	24,141	60,368	20,803
Personal Service	13,541	—	72,378	14,042	99,961	93,531
Operations	107,949	—	14,872	13,117	135,938	117,500
Prizes Expense	1,266,026	—	—	—	1,266,026	—
Specific Programs	—	—	1,207	10,666	11,873	39,949
Insurance Benefits	—	—	—	—	—	640,774
Unemployment Benefits	—	3,680,869	—	—	3,680,869	—
Depreciation/Amortization	846	—	1,171	5,843	7,860	24,494
Other Charges	9,578	—	127	519	10,224	12,519
Total Operating Expenses	1,434,167	3,680,869	89,755	68,328	5,273,119	949,570
Operating Income (Loss)	394,146	(424,840)	(74,257)	(4,281)	(109,232)	63,030
Non-Operating Revenues (Expenses):						
Contributions and Intergovernmental	—	1,834	57,760	2,631	62,225	89
Interest Expense	—	—	(2,210)	141	(2,069)	(992)
Investment Earnings:						
Net Increase (Decrease) in the						
Fair Value of Investments	(2,640)	—	(50)	(136)	(2,826)	(2,153)
Interest	192	11,154	30	87	11,463	2,799
Penalties and Unclaimed Properties	—	—	—	—	—	1
Disposal of Capital Assets	22	—	(44)	358	336	245
Total Non-Operating Revenues (Expenses)	(2,426)	12,988	55,486	3,081	69,129	(11)
Income (Loss) Before Transfers	391,720	(411,852)	(18,771)	(1,200)	(40,103)	63,019
Capital Contributions	—	—	—	1,722	1,722	—
Transfers In (Note 16)	—	329,228	6,000	1,794	337,022	2,401
Transfers Out (Note 16)	(394,349)	(6,600)	—	(678)	(401,627)	(1,858)
Change in Net Position	(2,629)	(89,224)	(12,771)	1,638	(102,986)	63,562
Total Net Position - Beginning (Note 17)	(8,865)	749,925	(129,014)	85,739	697,785	363,535
Total Net Position - Ending (Note 18)	\$ (11,494)	\$ 660,701	\$ (141,785)	\$ 87,377	\$ 594,799	\$ 427,097
Total Net Change in Net Assets Reported Above					\$ (102,986)	
Consolidation Adjustment of Internal Services Activities Related to Enterprise Funds					503	
Change in Net Assets of Business-Type Activities					\$ (102,483)	

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Business-Type Activities - Enterprise Funds					
	Major Funds				Totals	Governmental Activities Internal Service Funds
	State Lottery	Unemployment Compensation	Missouri Veterans' Homes	Non-Major Funds	June 30, 2021	
Cash Flows from Operating Activities:						
Receipts from Internal Customers and Users	\$ —	\$ 3,631	\$ 3	\$ 289	\$ 3,923	\$ 751,301
Receipts from External Customers and Users	1,834,373	3,280,710	17,172	61,921	5,194,176	205,135
Payments to Suppliers	(140,332)	—	(15,266)	(36,243)	(191,841)	(125,790)
Payments to Employees	(11,512)	—	(49,197)	(12,142)	(72,851)	(79,216)
Payments Made for Program Expense	(1,259,549)	(3,680,563)	(1,207)	(8,616)	(4,949,935)	(670,364)
Other Receipts	761	—	—	1,545	2,306	51,585
Other Payments	(9,578)	—	(127)	(519)	(10,224)	(12,519)
Net Cash Provided (Used) by Operating Activities	414,163	(396,222)	(48,622)	6,235	(24,446)	120,132
Cash Flows from Non-Capital Financing Activities:						
Loans Made to Outside Entities	—	—	—	22	22	—
Due to Other Funds	49,333	(1,381)	15	(4)	47,963	14,604
Due from Other Funds	—	—	—	(74)	(74)	83
Contributions and Intergovernmental Transfers to Other Funds	—	1,834	57,760	2,631	62,225	86
Transfers from Other Funds	(394,349)	(6,600)	—	(678)	(401,627)	(1,858)
Net Cash Provided (Used) by Non-Capital Financing Activities	(345,016)	323,081	63,775	3,691	45,531	15,316
Cash Flows from Capital and Related Financing Activities:						
Interest Expense	—	—	(2,210)	141	(2,069)	(992)
Purchases and Construction of Capital Assets	(348)	—	(243)	(3,146)	(3,737)	(7,342)
Capital Lease Downpayment/Obligations	—	—	—	—	—	(2,009)
Financed Purchase Downpayment/Obligations	—	—	(3)	—	(3)	(10,133)
Repayment of Bonds	—	—	(3,485)	—	(3,485)	—
Disposal of Capital Assets	22	—	—	217	239	2
Net Cash Provided (Used) by Capital and Related Financing Activities	(326)	—	(5,941)	(2,788)	(9,055)	(20,474)
Cash Flows from Investing Activities:						
Proceeds from Sales and Investment Maturities	—	—	—	—	—	152,230
Purchase of Investments	(54,005)	—	(7,851)	(19,913)	(81,769)	(163,030)
Interest and Dividends Received	218	11,154	33	151	11,556	3,130
Investment Fees	—	—	—	—	—	(142)
Penalties and Other Receipts	—	—	—	—	—	1
Net Cash Provided (Used) by Investing Activities	(53,787)	11,154	(7,818)	(19,762)	(70,213)	(7,811)
Net Increase (Decrease) in Cash	15,034	(61,987)	1,394	(12,624)	(58,183)	107,163
Cash and Cash Equivalents, Beginning of Year	34,617	664,429	12,080	41,814	752,940	196,518
Cash and Cash Equivalents, End of Year	\$ 49,651	\$ 602,442	\$ 13,474	\$ 29,190	\$ 694,757	\$ 303,681
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	\$ 394,146	\$ (424,840)	\$ (74,257)	\$ (4,281)	\$ (109,232)	\$ 63,030
Depreciation/Amortization Expense	846	—	1,171	5,843	7,860	24,494
Changes in Assets and Liabilities:						
Accounts Receivable	7,139	28,312	1,649	(289)	36,811	(2,506)
Inventories	—	—	(546)	294	(252)	(60)
Deferred Outflows of Resources	587	—	10,057	(641)	10,003	4,614
Prepaid Items	—	—	—	—	—	131
Accounts Payable	3,844	306	152	721	5,023	12,442
Accrued Payroll	(5)	—	738	(83)	650	(139)
Unearned Revenue	(318)	—	28	(3)	(293)	(2,073)
Grand Prize Winner Liability	6,477	—	—	—	6,477	—
Claims Liability	—	—	—	2,050	2,050	10,359
Compensated Absences	55	—	271	(128)	198	(266)
Net OPEB Liability	51	—	335	(7)	379	340
Net Pension Liability	1,134	—	9,875	2,258	13,267	8,209
Deferred Inflows of Resources	207	—	1,905	501	2,613	1,557
Net Cash Provided (Used) by Operating Activities	\$ 414,163	\$ (396,222)	\$ (48,622)	\$ 6,235	\$ (24,446)	\$ 120,132
Non-Cash Financing and Investing Activities:						
Capital Lease and Financed Purchase Issuance	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,495
Capital Asset Donations	—	—	—	1,722	1,722	3
Increase (Decrease) in Fair Value of Investments	(2,640)	—	(50)	(136)	(2,826)	(2,153)
Net Non-Cash Financing and Investing Activities	\$ (2,640)	\$ —	\$ (50)	\$ 1,586	\$ (1,104)	\$ 2,345

The notes to the financial statements are an integral part of this statement.



*The **Fiduciary Funds** account for assets held in a trustee or custodial capacity for others and therefore cannot be used to support the government's own programs.*

Individual fund financial statements for pension (and other employee benefit) trust funds, private-purpose trust funds, and custodial funds are presented as part of Supplementary Information.

STATE OF MISSOURI
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2021
(In Thousands of Dollars)

	Pension (and Other Employee Benefit) Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ASSETS			
Cash and Cash Equivalents (Note 3)	\$ 11,178	\$ 12,693	\$ 85,873
Investments at Fair Value (Note 3):			
U.S. Government Securities	5,161,315	2,962	664,692
U.S. Agency Sponsored Securities	—	16,590	395
Repurchase	900,000	—	80,154
Stocks	535,599	—	18
Bonds	1,499,317	—	—
International Equities	13,507	—	—
Mutual and Index Funds	1,828,071	—	—
Limited Partnership	6,376,345	—	—
Other Investments	2,448,658	2,242	54
Invested Securities Lending Collateral (Note 3)	117,449	—	—
Assets Held in Escheat	—	29,554	—
Receivables:			
Accounts Receivable	673,535	102	543,892
Interest Receivable	127,132	4	110
Due From Other Funds	40,225	—	—
Inventories	—	1	—
Capital Assets:			
Software in Progress	8,436	—	—
Land	426	—	—
Buildings	4,702	—	—
Equipment	1,757	107	—
Software	4,017	99	—
Accumulated Depreciation/Amortization	(7,883)	(185)	—
Total Capital Assets, Net	11,455	21	—
Total Assets	19,743,786	64,169	1,375,188
DEFERRED OUTFLOWS OF RESOURCES (Note 14)	1,292	333	—
LIABILITIES			
Accounts Payable	172,980	844	49
Obligations under Repurchase Agreements	3,723,313	—	—
Accrued Payroll	—	24	—
Due to Other Entities	—	—	32
Due to Other Governments	—	—	7,230
Securities Lending Obligation (Note 3)	122,748	—	—
Unearned Revenue (Note 1)	6,171	—	1,256
Claims Liability	6,786	—	—
Compensated Absences	818	52	—
Net OPEB Liability	9,704	556	—
Net Pension Liability	—	1,629	—
Total Liabilities	4,042,520	3,105	8,567
DEFERRED INFLOWS OF RESOURCES (Note 14)	929	70	—
Net Position Restricted for Pension Benefits, OPEB, Deferred Compensation, and Other Purposes	\$ 15,701,629	\$ 61,327	\$ 1,366,621

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Pension (and Other Employee Benefit) Trust Funds	Private-Purpose Trust Funds	Custodial
Additions:			
Contributions:			
Employer	\$ 785,859	\$ —	\$ —
Plan Member	155,746	—	—
Other	128,509	—	3,141,191
Total Contributions	1,070,114	—	3,141,191
Taxes	—	—	4,936,426
Licenses, Fees, and Permits	—	—	120,779
Investment Earnings:			
Increase (Decrease) in Appreciation of Assets	3,314,165	5,386	(176)
Interest and Dividends	160,680	69	627
Securities Lending Income	197	—	—
Other Income (Expense)	(20,787)	—	—
Total Investment Earnings	3,454,255	5,455	451
Less Investment Expenses:			
Investment Activity Expense	(173,491)	—	(18)
Securities Lending Expense	(66)	—	—
Total Investment Expense	(173,557)	—	(18)
Net Investment Earnings (Loss)	3,280,698	5,455	433
Penalties and Unclaimed Property	—	55,014	366
Cost Reimbursement/Miscellaneous	2,373	12,690	1,052
Total Additions	4,353,185	73,159	8,200,247
Deductions:			
Benefits	1,419,723	—	—
Administrative Expenses	19,130	2,343	38,058
Distributions to Other Entities/Individuals	—	—	3,270,935
Distributions to Other Governments	—	—	4,647,221
Program Distributions	110,290	57,066	—
Inactive-vested Buyout Payments	92	—	—
Service Transfer Payments	2,520	—	—
Depreciation/Amortization	22	12	—
Total Deductions	1,551,777	59,421	7,956,214
Change in Net Position	2,801,408	13,738	244,033
Net Position - Beginning of Year (Note 17)	12,900,221	47,589	1,122,588
Net Position - End of Year	\$ 15,701,629	\$ 61,327	\$ 1,366,621

The notes to the financial statements are an integral part of this statement.



*The **Component Units** account for all transactions relating to legally separate entities which, for reporting purposes, are a part of the State.*

Component Unit Financial Statements

Major

College and Universities

Non-Major

Non-Major proprietary component unit statements are found in the combining fund financial statements as part of Supplementary Information.

STATE OF MISSOURI
STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2021
(In Thousands of Dollars)

	College and Universities	Non-Major	Totals June 30, 2021
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 778,347	\$ 45,312	\$ 823,659
Investments	151,804	29,407	181,211
Invested Securities Lending Collateral	9,230	—	9,230
Receivables, Net	718,934	1,442	720,376
Inventories	61,855	—	61,855
Restricted Assets:			
Cash and Cash Equivalents	331,992	1,938	333,930
Investments	40,775	9,066	49,841
Receivables, Net	54,782	3,538	58,320
Deposits and Prepaid Expenses	39,581	502	40,083
Other Assets	1,719	—	1,719
Total Current Assets	<u>2,189,019</u>	<u>91,205</u>	<u>2,280,224</u>
Non-Current Assets:			
Investments	3,071,293	58,173	3,129,466
Receivables, Net	104,988	25,496	130,484
Restricted Assets:			
Cash and Cash Equivalents	28,894	7,803	36,697
Investments	2,086,099	4,432	2,090,531
Receivables, Net	970	16,530	17,500
Other Assets	16,368	—	16,368
Capital Assets, Net of Accumulated Depreciation/Amortization (Note 5)	5,655,566	60,706	5,716,272
Total Non-Current Assets	<u>10,964,178</u>	<u>173,140</u>	<u>11,137,318</u>
Total Assets	<u>13,153,197</u>	<u>264,345</u>	<u>13,417,542</u>
DEFERRED OUTFLOWS OF RESOURCES (Note 14)	<u>392,983</u>	<u>931</u>	<u>393,914</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	757,742	146	757,888
Due to Primary Government (Note 15)	—	11	11
Securities Lending Obligation	9,230	—	9,230
Unearned Revenue (Note 1)	160,169	—	160,169
Deposits	1,693	—	1,693
Claims Liability (Note 21)	49,487	—	49,487
Compensated Absences	75,483	100	75,583
Other Postemployment Obligations, Net	224	—	224
Capital Lease Obligations (Note 6)	11,853	—	11,853
Bonds/Notes/Financed Purchases Payable (Note 11)	116,447	562	117,009
Total Current Liabilities	<u>1,182,328</u>	<u>819</u>	<u>1,183,147</u>
Non-Current Liabilities:			
Accounts Payable and Accrued Liabilities	61,343	—	61,343
Advance from Primary Government (Note 15)	—	98	98
Unearned Revenue (Note 1)	14,874	700	15,574
Deposits and Reserves	10	7,060	7,070
Claims Liability (Note 21)	45,588	—	45,588
Compensated Absences	44,599	29	44,628
Capital Lease Obligations (Note 6)	67,126	—	67,126
Asset Retirement Obligation (Note 23)	62,433	—	62,433
Bonds/Notes/Financed Purchases Payable (Note 11)	2,284,047	12,458	2,296,505
Net OPEB Liability	237,207	784	237,991
Net Pension Liability	1,342,144	3,917	1,346,061
Total Non-Current Liabilities	<u>4,159,371</u>	<u>25,046</u>	<u>4,184,417</u>
Total Liabilities	<u>5,341,699</u>	<u>25,865</u>	<u>5,367,564</u>
DEFERRED INFLOWS OF RESOURCES (Note 14)	<u>747,385</u>	<u>417</u>	<u>747,802</u>
NET POSITION			
Net Investment in Capital Assets	3,288,024	47,660	3,335,684
Restricted for:			
Expendable	852,570	—	852,570
Non-Expendable	1,703,941	—	1,703,941
Other Purposes	—	99,517	99,517
Unrestricted	1,612,561	91,817	1,704,378
Total Net Position	<u>\$ 7,457,096</u>	<u>\$ 238,994</u>	<u>\$ 7,696,090</u>

The notes to the financial statements are an integral part of this statement.

STATE OF MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION/STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	College and Universities	Non-Major	Totals June 30, 2021	Adjustments	Statement of Activities
Revenues:					
Operating Revenues:					
Licenses, Fees, and Permits	\$ —	\$ 1,989	\$ 1,989	\$ —	\$ 1,989
Student Tuition and Fees (Net of Scholarship Allow.)	952,986	—	952,986	—	952,986
Sales and Services of Educational Departments	35,738	—	35,738	—	35,738
Auxiliary Enterprises	2,237,054	—	2,237,054	—	2,237,054
Leases and Rentals	—	4,764	4,764	—	4,764
Cost Reimbursement/Miscellaneous	90,821	167	90,988	165,826	256,814
Total Charges for Services					3,489,345
Federal Appropriations, Grants, and Contracts	226,737	—	226,737	364,426	591,163
State Grants and Contracts	114,444	—	114,444	753,957	868,401
Private Gifts, Grants, and Contracts	102,409	—	102,409	127,185	229,594
Additions to Endowments	947	—	947	62,568	63,515
Total Operating Grants and Contributions					1,752,673
Interest Revenue	—	1,537	1,537	(1,537)	
Total Operating Revenues	3,761,136	8,457	3,769,593	1,472,425	
Expenses:					
Operating Expenses:					
Personal Service	2,763,122	2,420	2,765,542	—	2,765,542
Operations	—	3,433	3,433	—	3,433
Specific Programs	—	2,755	2,755	—	2,755
Scholarships and Fellowships	190,052	—	190,052	—	190,052
Utilities	32,745	—	32,745	—	32,745
Supplies and Other Services	1,300,996	—	1,300,996	—	1,300,996
Contracted Services	26,291	—	26,291	—	26,291
Interest Expense	—	—	—	91,264	91,264
Depreciation/Amortization	337,387	2,308	339,695	—	339,695
Miscellaneous	32,176	69	32,245	326	32,571
Total Operating Expenses	4,682,769	10,985	4,693,754	91,590	4,785,344
Operating Income (Loss)	(921,633)	(2,528)	(924,161)	1,380,835	
Non-Operating Revenues (Expenses):					
Federal Appropriations, Grants, and Contracts	364,426	—	364,426	(364,426)	—
State Appropriations, Grants, and Contracts	753,957	—	753,957	(753,957)	—
Private Gifts, Grants, and Contracts	127,185	—	127,185	(127,185)	—
Contributions and Intergovernmental	—	2,899	2,899	—	2,899
Total Unrestricted Grants and Contributions					2,899
Investment Earnings:					
Increase (Decrease) in the Fair Value of Investments	(54)	(588)	(642)	—	(642)
Investment and Endowment Income (Loss)	799,523	—	799,523	—	799,523
Interest	—	840	840	1,537	2,377
Interest and Bond Related Expenses	(91,005)	(259)	(91,264)	91,264	—
Gain (Loss) on Sale of Capital Assets	(338)	—	(338)	338	—
Contributions to Others	—	(14)	(14)	—	(14)
Miscellaneous Revenues (Expenses)	165,826	12	165,838	(165,838)	—
Total Unrestricted Investment Earnings					801,244
Total Non-Operating Revenues (Expenses)	2,119,520	2,890	2,122,410	(1,318,267)	
Income Before Other Revenues (Expenses) Or Gains (Losses)	1,197,887	362	1,198,249	62,568	
State Capital Appropriations	114,542	—	114,542	—	114,542
Total Capital Grants and Contributions					114,542
Additions to Endowments	62,568	—	62,568	(62,568)	—
Special Items	2,559	—	2,559	—	2,559
Change in Net Position	1,377,556	362	1,377,918	—	1,377,918
Net Position - Beginning of Year (Note 17)	6,079,540	238,632	6,318,172	—	6,318,172
Net Position - End of Year	\$ 7,457,096	\$ 238,994	\$ 7,696,090	\$ —	\$ 7,696,090

The notes to the financial statements are an integral part of this statement.



*The **Notes to the Financial Statements** provide a summary of significant accounting policies and other disclosures required for a fair presentation of the basic financial statements.*

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Index of Notes

Note 1 - Significant Accounting Policies	33
Note 2 - Reporting Changes and Classifications	49
Note 3 - Deposits and Investments	49
Note 4 - Governmental Fund Balance	65
Note 5 - Capital Assets	67
Note 6 - Leases	69
Note 7 - Retirement Systems	72
Note 8 - Other Postemployment Benefits	85
Note 9 - Deferred Compensation	96
Note 10 - Changes in Long-Term Liabilities	97
Note 11 - Debt	98
Note 12 - Defeased Debt	108
Note 13 - Payables and Receivables	109
Note 14 - Deferred Inflows and Outflows	109
Note 15 - Interfund Assets and Liabilities	114
Note 16 - Interfund Transfers	115
Note 17 - Restatements	116
Note 18 - Fund Deficit	118
Note 19 - Tax Abatements	119
Note 20 - Commitments	125
Note 21 - Risk Management and Insurance	126
Note 22 - Pollution Remediation and Landfill Closure and Postclosure	130
Note 23 - Asset Retirement Obligation	131
Note 24 - Contingencies	132
Note 25 - Nonexchange Financial Guarantees	135
Note 26 - Joint Ventures	136
Note 27 - Endowments	138
Note 28 - Conduit Debt	138
Note 29 - Subsequent Events	138

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies

A. Financial Statements and Reporting Entity

The accompanying financial statements of the State of Missouri (primary government) and its component units have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

The financial statements include the departments, agencies, boards, commissions, and other organizational units over which the State has financial accountability. GASB set forth the following criteria in Statement No. 14, *The Financial Reporting Entity*, for determining financial accountability: appointment of a voting majority of an organization's governing body and either: 1) the ability to impose the State's will on the organization; or 2) the organization's ability to provide specific benefits to, or impose specific burdens on, the primary government. Where the State does not appoint a voting majority of the governing body, the entity would still be included if it is fiscally dependent on the State. Statement No. 39, *Determining Whether Certain Entities are Component Units*, added a requirement to include all entities whose relationship with the State would make it misleading to exclude it. Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, improves financial reporting by amending GASB Statement No. 14, *The Financial Reporting Entity*, and Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, in blending component units: 1) if there is a financial benefit or burden relationship with the primary government; 2) management of the primary government has operational responsibility for the component unit's activities; and 3) if the total outstanding debt is expected to be repaid entirely or almost entirely with the resources of the primary government. GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*, requires component units to be blended if they are incorporated as not-for-profit corporations and the primary government is the sole corporate member.

In addition to the legislative, executive, and judicial branches, the following organizations are included in these financial statements:

Component Units (Blended):

Blended component units are legally separate entities from the State, but are so intertwined with the State that they are, for all practical purposes, the same as the State. They are reported as part of the primary government and blended into the appropriate funds. The following component units are blended because they provide services entirely or almost entirely to the primary government:

Governmental Funds:

Board of Fund Commissioners – The Board was created by state law and is comprised of the Governor, Lieutenant Governor, Attorney General, State Treasurer, and the Commissioner of Administration. The Board's purpose is to issue, redeem, and cancel state general obligation bonds and perform other administrative activities related to state general obligation debt as assigned by law. Separate financial statements are not required or issued for the Board.

Board of Private Investigator and Private Fire Investigator Examiners – The Board was created by state law and is charged with the licensure and regulation of the practice of private investigators and private fire investigators in Missouri. The seven member board shall consist of three private investigators, two private fire investigators, and two public members, appointed by the Governor. The Board is appointed by the primary government. It is therefore considered a blended special revenue fund and shown in the financial statements as part of the primary government.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

Coordinating Board for Early Childhood – The Board was created by state law within the Missouri Children's Services Commission. The Board's purpose is to develop a comprehensive statewide long-range strategic plan for a cohesive early childhood system, and to work with public and private entities for the purpose of promoting and improving the development of Missouri's children from birth through age five. The 17 member Board is composed of representatives from the Governor's Office; the following departments: Health and Senior Services, Mental Health, Social Services, and Elementary and Secondary Education; the judiciary; the Family and Community Trust Board; the Head Start Program; and nine members appointed by the Governor. The majority of the board members are appointed by the primary government and, therefore, separate financial statements are not required for the Board.

Internal Service Funds:

Board of Public Buildings – This is reported with the State Facility Maintenance and Operation Fund. The Board was created by state law and its governing body is made up of the Governor, the Lieutenant Governor, and the Attorney General. Its purpose is to provide state buildings by issuing revenue bonds and to supervise the operations of these facilities. All construction contracts must be approved by the Division of Facilities Management, Design and Construction, and its projects must be approved by the General Assembly. The Board can require state agencies to occupy its projects. The General Assembly appropriates to the Board, on behalf of the state agencies, amounts sufficient to pay the principal and interest on the bonds and pay the costs of operations.

Missouri State Employee's Insurance Plan – The Plan was created to provide basic life insurance to eligible members and is administered through the Missouri State Employees' Retirement System (MOSERS). Death benefits, optional life insurance, and long-term disability benefits are also provided by the Plan for certain members. Copies of the System's financial statements may be requested from:

Missouri State Employees' Retirement System
P.O. Box 209
Jefferson City, Missouri 65102-0209

Missouri Consolidated Health Care Plan (MCHCP) – The Plan was created by state law to provide medical benefits to its members and is administered by a board of trustees. The Board consists of two members of the Senate; two members of the House; three members appointed by the Governor; the Director of the Department of Health and Senior Services; the Director of the Department of Commerce and Insurance; the Commissioner of Administration; two members of the system who are current employees; and one member of the system who is a retiree. The management of MCHCP is the responsibility of the Executive Director who is appointed by the Board. Copies of the Plan's financial statements may be requested from:

Missouri Consolidated Health Care Plan
P.O. Box 104355
832 Weathered Rock Court
Jefferson City, Missouri 65110-4355

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

MoDOT/MSHP Medical and Life Insurance Plan – The Plan provides health and life insurance coverage to eligible employees, retirees, and their dependents of the Missouri Department of Transportation (MoDOT) and the Missouri State Highway Patrol (MSHP). The Plan is administered by a board of trustees consisting of four active MoDOT employees, one retired MoDOT employee appointed by the Director of MoDOT, two active MSHP employees, and one retired MSHP employee appointed by the Superintendent of MSHP. Additional information may be requested from:

Missouri Department of Transportation
Financial Services Division
P.O. Box 270
Jefferson City, Missouri 65102

Pension (and other employee benefit) trust funds:

Missouri State Employees' Retirement System (MOSERS) – The System was created by state law and provides retirement, survivor, and disability benefits to its members and is administered by a board of trustees. The Board consists of two members of the Senate, two members of the House, two members appointed by the Governor, three members elected by the System's members, the State Treasurer, and the Commissioner of Administration. The management of MOSERS is the responsibility of the Executive Director who is appointed by the Board. The MOSERS Board of Trustees also oversees the State's Deferred Compensation Plan which is administered by a third party. Copies of the System's financial statements may be requested from:

Missouri State Employees' Retirement System
P.O. Box 209
Jefferson City, Missouri 65102-0209

Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS) – The System provides retirement, survivor, and disability benefits to qualified employees of the Missouri Department of Transportation, uniformed and non-uniformed members of the Missouri State Highway Patrol, and MPERS staff. The System is administered by a board of trustees consisting of three members of the Missouri Highways and Transportation Commission, the Director of the Missouri Department of Transportation, the Superintendent of the Missouri State Highway Patrol, one member of the Senate, one member of the House, one member elected by MoDOT employees, one member elected by the Missouri State Highway Patrol employees, one retired member elected by retired MoDOT employees, and one retired member elected by retired Missouri State Highway Patrol employees. Copies of the System's financial statements may be requested from:

Missouri Department of Transportation and
Highway Patrol Employees' Retirement System
P.O. Box 1930
Jefferson City, Missouri 65102-1930

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

Missouri Consolidated Health Care Plan (MCHCP) State Retiree Welfare Benefit Trust – The Trust was established on June 27, 2008, to provide health and welfare benefits for the exclusive benefit of current and future retired employees of the State and their dependents who meet eligibility requirements, except those covered by other State sponsored post-employment benefit plans. The Trust is administered by the MCHCP board of trustees, which also administers the benefits for the active participants of the Plan. The net position and activity related to active participants are reported in an internal service fund. Copies of the Plan's financial statements may be requested from:

Missouri Consolidated Health Care Plan
P.O. Box 104355
832 Weathered Rock Court
Jefferson City, Missouri 65110-4355

Missouri State Public Employees' Deferred Compensation Plan – The Missouri State Public Employees' Deferred Compensation Plan is administered by ICMA-RC and oversight of the Plan is provided by the MOSERS board of trustees. Under this Plan, employees are permitted to defer a portion of their current salary until future years. In addition, eligible employees have the opportunity to participate in the Missouri State Employees' Deferred Compensation Incentive Plan. Under this Plan, the State contributes \$25, \$30, or \$35 per month on behalf of any employee who contributes at least that amount to the Missouri State Public Employees' Deferred Compensation Plan and who has been an employee of the State for at least one year. However, due to budget constraints, the State's contribution amount was suspended in March 2010. Copies of financial statements for both Plans may be requested from:

Plan Administrator
c/o MOSERS
P.O. Box 209
Jefferson City, Missouri 65102-0209

Component Units (Discretely Presented):

Discretely presented component units are legally separate entities for which the State is financially accountable. The financial data for these entities is reported separately from the financial data of the primary government.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

Major

College and Universities — The Coordinating Board for Higher Education has certain responsibilities for these institutions and they receive State support. Following are the public college and universities included in the financial statements:

Harris-Stowe State University
3026 Laclede Avenue
St. Louis, Missouri 63103

Lincoln University
820 Chestnut Street
Jefferson City, Missouri 65102

Missouri Southern State University
3950 East Newman Road
Joplin, Missouri 64801-1595

Missouri State University
901 South National Avenue, Room 119
Springfield, Missouri 65897

Missouri Western State University
4525 Downs Drive
St. Joseph, Missouri 64507

Northwest Missouri State University
107 Administration Building
800 University Drive
Maryville, Missouri 64468-6001

Southeast Missouri State University
One University Plaza, Mail Stop 3200
Cape Girardeau, Missouri 63701

State Technical College of Missouri
One Technology Drive
Linn, Missouri 65051

Truman State University
Business Office
100 East Normal
Kirksville, Missouri 63501

University of Central Missouri
316 Administration Building
Warrensburg, Missouri 64093

University of Missouri System
118 University Hall
Columbia, Missouri 65211

Non-Major

Missouri Development Finance Board — The Board was created by state law as an independent, self-supporting, body corporate and politic to promote economic development of the State and was created within the Department of Economic Development. The Board is empowered to issue taxable, tax-exempt, and public purpose infrastructure industrial revenue bonds or notes; provide loans or loan guarantees to eligible businesses; provide loans and grants to political subdivisions to fund public infrastructure improvements; and issue tax credits against certain state income taxes in exchange for contributions made to the Board. The twelve member board is made up of the Lieutenant Governor and the Directors of the Department of Economic Development, the Department of Natural Resources, and the Department of Agriculture, who serve as ex-officio voting members, and eight members appointed by the Governor and confirmed by the Senate. Copies of the Board's financial statements may be requested from:

Missouri Development Finance Board
Governor Office Building
200 Madison Street, Suite 1000
Jefferson City, Missouri 65102

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

Missouri Agricultural and Small Business Development Authority — The Authority was created by state law and is authorized to issue bonds to finance agricultural and small business development loans for property acquisitions/renovations and pollution control facilities throughout the State. If for any reason, the Authority ceases to exist, all rights and properties of the Authority will pass to the State. Its governing body consists of seven members appointed by the Governor with the advice and consent of the Senate. Copies of the Authority's financial statements may be requested from:

Missouri Agricultural and Small
Business Development Authority
P.O. Box 630
1616 Missouri Boulevard
Jefferson City, Missouri 65102

Missouri Transportation Finance Corporation — The Corporation is a not-for-profit corporation organized under the Missouri Nonprofit Corporation Law. The Corporation is financed by federal highway and transit dollars, plus state and local matching funds. It is authorized to issue revenue bonds. The Corporation provides loans to assist public and private entities to fund highway and transportation projects throughout the State. Missouri Transportation Finance Corporation's board determines which applicants are extended loans. Copies of the Corporation's financial statements may be requested from:

Missouri Transportation Finance
Corporation
P.O. Box 270
105 West Capitol Avenue
Jefferson City, Missouri 65102

Missouri Wine and Grape Board — The Board was created by state law to further growth and development of the grape growing industry in Missouri and foster the expansion of the grape market for Missouri grapes. The eleven member board consists of seven members representing the grape and wine industry, food service industry, or media marketing industry. The four other members include the director of the Department of Agriculture and the presidents of the Missouri Grape Growers Association, the Missouri Vintners Association, and the Missouri Wine Marketing and Research Council. Copies of the Board's annual report may be requested from:

Missouri Wine and Grape Board
P.O. Box 630
1616 Missouri Boulevard
Jefferson City, Missouri 65102

State Environmental Improvement and Energy Resources Authority — The Authority was created by state law and is authorized to finance, acquire, construct, and equip projects to reduce, prevent, and control pollution and develop the energy resources of the State. The Authority is governed by a five-member board appointed by the Governor with the advice and consent of the Senate. Copies of the Authority's annual report may be requested from:

State Environmental Improvement and
Energy Resources Authority
425 Madison Street
Jefferson City, Missouri 65101

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

Related Organizations

Related organizations are excluded from the financial reporting entity because the State's accountability does not extend beyond appointing a voting majority of the organization's board members. Related organizations of the State of Missouri include:

Missouri Health and Educational Facilities Authority — finances health and educational facilities.

Missouri Higher Education Loan Authority — provides a secondary market for loans made under the Federal Family Education Loan Program.

Missouri Housing Development Commission — finances the purchase, development or rehabilitation of affordable housing and funds housing assistance.

Missouri Technology Corporation — promotes the modernization of businesses through the development of science and technology applications.

Missouri Public Entity Risk Management Fund — provides liability protection to participating public entities, their officials, and employees.

Jackson County Sports Complex Authority — responsible for construction, operation, and financing of the Jackson County Sports Complex.

Kansas City Regional Sports Complex Authority — responsible for the study and review of all current major sports leagues, clubs, or franchises in Kansas City.

St. Charles County Convention and Sports Facility Authority — responsible for planning, constructing, and managing convention and sports facilities in the St. Charles area.

Missouri Cotton Growers' Organization — organized for boll weevil eradication.

Universal Service Board — organized to ensure just, reasonable, and affordable rates for comparable essential local telecommunication services throughout the State.

Interstate Commission for Adult Offender Supervision — responsible for promoting public safety and protecting the rights of victims through the control and regulation of the interstate movement of adults placed under community supervision.

Board of Trustees of the Missouri Mesothelioma Risk Management Fund — provides coverage of liabilities for participating employers relating to mesothelioma awards.

P-20 Council — organized to create a more efficient and effective education system that more adequately prepares students for the challenges of entering the workforce.

Missouri Propane Safety Commission — responsible for developing comprehensive plans and programs for the prevention, control, and abatement of propane-related accidents in Missouri.

Missouri Family Trust Board of Trustees — provides trust services for persons with disabilities.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements:

The government-wide financial statements focus on the government as a whole. The Statement of Net Position and Statement of Activities report information on all non-fiduciary activities of the primary government and its component units. Primary government activities are distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Governmental activities include governmental type funds and internal service funds. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services and consist of enterprise funds.

The Statement of Net Position presents the reporting entity's non-fiduciary assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Indirect costs, such as depreciation/amortization expense, are included in the direct expenses reported for individual functions. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not meeting the definition of program revenues are instead reported as general revenues.

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recognized when incurred. Fiduciary funds have been excluded from the government-wide financial statements because, by definition, the resources of these funds cannot be used to support government operations. Generally, interfund transactions have also been eliminated. Some interfund transactions, such as the exchange of services, were not eliminated because doing so would mistakenly understate both expenses of the buyer and revenues of the seller.

Fund Financial Statements:

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide statements. For governmental and proprietary fund financial statements, the emphasis is on major individual governmental and enterprise funds, with each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. Internal service funds are also aggregated and reported in a separate column on the proprietary fund financial statements.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

The governmental fund financial statements are presented using the current financial resources measurement focus and modified accrual basis of accounting. With the current financial resources measurement focus, only current assets and current liabilities are included on the balance sheet. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to pay current period liabilities. Operating statements of governmental funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance. Material revenues susceptible to accrual include federal grants and sales and income taxes. Expenditures are recognized when the related fund liability is incurred except for the following:

- Principal and interest on general long-term debt is recorded as an expenditure when due.
- Compensated absences (accumulated vacation and compensatory time) and sick pay are recorded as expenditures when paid.
- Inventories are reported as expenditures when purchased, except for the Missouri Road Fund, which updates inventory perpetually under the consumption method.

The proprietary, pension (and other employee benefit) trust, private-purpose trust, and custodial fund financial statements are presented using the economic resources measurement focus and accrual basis of accounting. With the economic resources measurement focus, assets, deferred outflows, liabilities, and deferred inflows associated with the operation of these funds are included on the Statement of Net Position. Under the accrual basis of accounting, revenues are recognized in the period earned and expenses are recognized in the period incurred. Proprietary fund-type operating statements present revenues and expenses in total net position. Operating revenues and expenses in proprietary funds are classified as those activities that make up the primary ongoing operations associated with those funds. Non-operating revenues and expenses in proprietary funds are classified as those activities that are deemed incidental or unusual for those funds.

The discretely presented component unit financial statements are presented using the economic resources measurement focus and accrual basis of accounting with the following exception in regard to the college and universities. Revenues and related expenditures in connection with the summer sessions in progress at June 30 are deferred at that date.

The State reports the following major funds categories:

General Fund – accounts for all current financial resources not required by law or administrative action to be accounted for in another fund. Major revenues include contributions and taxes.

Public Education – provides general and special education needs of the State and other related areas such as library services and student loans. Major revenues include contributions and taxes.

Conservation and Environmental Protection – provides for the preservation of the State's wildlife and environment. Major revenues include contributions, taxes and licenses, fees, and permits.

Missouri Road Fund – accounts for revenues from highway users' fees, federal reimbursements for highway projects, and bond proceeds to be used for costs of constructing and maintaining an adequate state highway system. Major revenues are from contributions.

State Lottery – accounts for proceeds from the sale of lottery tickets and all other moneys credited to this fund. A minimum of 45% of the moneys are used for prizes. Major revenues are from sales of lottery tickets.

Unemployment Compensation – accounts for contributions, payments, and federal loans collected under the provisions of the Unemployment Compensation Law to pay benefits. Major revenues include federal and employer contributions.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

Missouri Veterans' Homes - accounts for fees to provide services for persons confined to one of the veterans' homes. Major revenues are from contributions and fees from services provided.

C. Basis of Presentation

The State's financial practices are based upon fund accounting concepts. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and fund balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The accompanying financial statements are structured into three categories of funds and discretely presented component units:

Primary Government:

Governmental Funds include the General Fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. These funds account for the revenues and expenditures, capital outlay, and certain debt service of the State.

Proprietary Funds include enterprise funds and internal service funds. These funds account for the cost of certain services provided by the State.

Fiduciary Funds include pension (and other employee benefit) trust funds, private-purpose trust funds, and custodial funds. These funds account for assets held by the State in a trustee or custodial capacity for individuals, other governments, and other entities.

Discretely Presented Component Units:

Major

College and Universities account for moneys from student tuition and fees, federal and state grants, debt proceeds, gifts and contributions, state appropriations, investments, and endowments. Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position are accounted for on the Statement of Net Position. Revenues, expenses, gains, and losses are reported on the Statement of Revenues, Expenses, and Changes in Net Position/Statement of Activities.

Non-Major

Non-Major Component Units account for moneys from bond proceeds, loans, contributions, gifts, grants, and other revenue sources. Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position are accounted for on the Statement of Net Position. Revenues, expenses, gains, and losses are reported on the Statement of Revenues, Expenses, and Changes in Net Position/Statement of Activities.

D. Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include bank accounts, petty cash, and all investments with an original maturity of 92 days or less, such as certificates of deposit, money market certificates, and repurchase agreements. Cash and cash equivalents on the Proprietary Funds Statement of Cash Flows are also reported under this definition. This definition excludes Fiduciary funds. Cash balances of most state funds are pooled and invested by the State Treasurer (see Note 3).

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

E. Investments

These are long-term investments with an original maturity greater than 92 days, which are expected to be held to maturity and redeemed at face value. The majority of investments are reported in pension (and other employee benefit) trust funds, however, investments are held in all fund types. Repurchase agreements held by the State Treasurer's Office are reported at amortized cost. The Missouri State Public Employees' Deferred Compensation Plan and the Missouri State Public Employees' Deferred Compensation Incentive Plan report their Stable Value Funds at contract value. The Missouri State Employees' Retirement System reports their cash equivalents at cost plus accrued interest. All other investments of the State are reported at fair value.

There are multiple funds that have income from investments which are directed to the General Fund. These funds consist of special revenue, enterprise, internal service, private-purpose, and custodial funds.

F. Interfund Receivables/Payables

The State makes various transactions between funds or between the primary government and component units to distribute interest earnings, finance operations, provide services, and acquire capital assets. These receivables at June 30 are classified as "due from other funds" or "due from primary government/component units" on the Balance Sheet and Statement of Net Position. Payables are classified as "due to other funds" or "due to primary government/component units" on the Balance Sheet and Statement of Net Position (see *Note 15*). These receivables/payables are due within one year. Any receivables/payables that are due to and due from an enterprise fund are eliminated on the face of the Proprietary Funds Statement of Net Position. If any receivables/payables that remain after this elimination are both in the same activity (Governmental), they are eliminated at the Government-Wide Statement of Net Position. Interfund receivables/payables between the primary government and the component units or the fiduciary funds are reclassified as accounts receivable/payable at the government-wide level. Any remaining interfund receivables/payables are reported as internal balances on the Government-Wide Statement of Net Position.

G. Advances to/from Other Funds

Long-term interfund receivables are classified as "advances to other funds" or "advances to primary government/component units" on the Balance Sheet and Statement of Net Position. Long-term interfund payables are classified as "advances from other funds" or "advances from primary government/component units" on the Balance Sheet and Statement of Net Position (see *Note 15*). These receivables/payables are eliminated if both the receivable and payable are in the same activity (Governmental). Advances to/from that are between the primary government and the component units are reclassified as accounts receivable/payable at the government-wide level. Any remaining long-term interfund receivables/payables are reported as internal balances on the Government-Wide Statement of Net Position.

H. Inventories

Inventories in the governmental funds consist of expendable supplies held for consumption, the cost of which is recorded as an expenditure at the time of purchase, except for the Missouri Road Fund, which updates inventory perpetually under the consumption method. Inventory balances for governmental funds are shown in the nonspendable fund balance classification. Inventories in the proprietary funds consist of both expendable supplies held for consumption and the cost of goods held for resale, the cost of which is recorded as an expense as they are used. Inventories are valued at cost using various methods such as moving average; weighted average; and first-in, first-out.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

I. Capital Assets

Capital assets, which include construction in progress, software in progress, infrastructure in progress, land, land improvements, permanent and temporary easements, buildings and improvements, equipment, software, trademarks, and infrastructure assets, are valued at historical cost or estimated historical cost if actual historical cost is not available. The estimate of historical cost was based on current appraised value indexed to the date of acquisition. Donated capital assets are reported at estimated acquisition value at the time received. Capital assets acquired through lease agreements and financed purchases are capitalized at the inception of the agreement (see *Notes 5, 6, and 11*).

Infrastructure assets (including highways, bridges, streets and sidewalks, drainage systems, lighting systems, and similar items) are capitalized. Interest costs incurred during construction of capital assets are not capitalized.

The capitalization threshold for all capital assets is as follows: land improvements – \$15,000, buildings and improvements – \$15,000, software and trademarks – \$5,000, and equipment – \$1,000. No dollar threshold is set for land, easements, or infrastructure.

Capital assets are depreciated/amortized using the straight-line method of depreciation/amortization over the following useful lives: buildings – 40 to 50 years, land improvements and building improvements – 15 to 20 years, temporary easements – term of easement, equipment – 2 to 5 years, software – 3 to 5 years, trademarks – 10 years, and infrastructure – 12 to 50 years. Construction in progress, software in progress, infrastructure in progress, land, and permanent easements are not depreciated/amortized.

Most works of art and historical treasures are not capitalized or depreciated/amortized. The State's non-capitalized collections include the historical artifacts at the various state museums and historical sites, monuments, and other art throughout the capitol grounds. Assets that were previously capitalized continue to be reported in the government-wide financial statements.

Component unit capital assets are stated at cost and are depreciated/amortized using the straight-line method of depreciation/amortization over the following useful lives: buildings – 40 years, land improvements and building improvements – 20 years, equipment – 5 to 15 years, and software – 3 to 5 years.

J. Deferred Outflow of Resources and Deferred Inflow of Resources

In addition to assets, the Statement of Net Position/Balance Sheet may report a separate line item for deferred outflows of resources. Deferred outflows of resources consist of the decrease of net position by the State that is applicable to a future reporting period and will not be recognized as outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position/Balance Sheet may report a separate line item for deferred inflows of resources. Deferred inflows of resources consist of the increase of net position by the State that is applicable to a future reporting period and will not be recognized as inflow of resources (revenue) until then.

K. Unearned Revenues

Unearned revenues are amounts collected in advance of the year in which earned.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

L. Long-Term Debt

Long-term liabilities that will be financed from governmental funds are not reported on the fund financial statements. However, the long-term liabilities are reported on the government-wide financial statements. The reconciliation between fund financial statements and government-wide financial statements includes a line item for the long-term liabilities of governmental funds. These long-term liabilities include the following:

1. Due to Other Entities includes outstanding principal on advances from other governments and contractual obligations to other governments. The expenditures are recorded in the appropriate governmental funds when the liability is paid (see *Note 10*).
2. Outstanding principal for general obligation debt. The expenditure for payment of principal and interest for general obligation debt is recorded in the debt service funds when paid (see *Note 11*).
3. Outstanding principal for bonds issued by the Board of Public Buildings, bonds issued by the Health and Educational Facilities Authority, the Regional Convention and Sports Complex Authority, the Missouri Development Finance Board, and the State Road Bonds issued by the Missouri Highways and Transportation Commission. The expenditure for payment of principal and interest for these bonds is recorded in the appropriate governmental funds when paid (see *Note 11*).
4. Bond premiums are deferred and amortized over the life of the bonds using the effective interest rate method in the government-wide financial statements. Bonds payable are reported net of the applicable bond premium.

In the fund financial statements, governmental fund types recognize bond premiums during the current period. Premiums on debt issuances are reported as other financing sources (see *Note 10*).

5. Obligations under leases and financed purchases reported include the present value of net minimum future lease payments, which will be paid from the General Fund, various special revenue funds, proprietary funds, and the Missouri Road Fund (see *Notes 6 and 11*).
6. Pollution remediation liabilities are measured based on the pollution remediation outlays expected to be incurred to settle those liabilities. These liabilities include all remediation work that the State expects to perform, including work expected to be performed for other responsible parties or potentially responsible parties, whether or not the State is required to do that work. For goods or services used for pollution remediation activities, amounts that are normally expected to be liquidated with expendable available financial resources are recognized as liabilities upon receipt of those goods and services (see *Note 22*).
7. Asset Retirement Obligations are measured based on the best estimate of the current value of outlays expected to be incurred. These liabilities include all legally enforceable amounts associated with the future retirement of a tangible capital asset. Liabilities and expenditures are recognized for goods and services used for asset retirement activities upon receipt of those goods and services (see *Note 23*).

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

8. Compensated absences include accumulated unpaid vacation and compensatory time accruals and related employer payroll taxes. These amounts are not accrued in the governmental funds, but are recorded as expenditures when paid (see *Note 10*).

Vacation leave is accumulated at a rate of 10 to 14 hours per month depending on the number of years of employment. Accumulated vacation leave cannot exceed twice the number of vacation hours earned annually. Compensatory time is accumulated as earned by an individual employee.

Sick leave is accumulated at a rate of 10 hours per month with no limit to the amount which can be accumulated. Accumulated sick leave is not paid upon employee termination and does not represent a liability of the State. However, unused sick leave may be converted to additional credited service upon retirement (usable only for benefit computation, not eligibility).

9. Claims and contingent liabilities include estimates of the risk of loss related to tort liability, general liability, motor vehicle liability, contractor liability, and injuries to employees. These liabilities are reported when it is probable that a loss has occurred and the amount of loss can be reasonably estimated. These losses include an estimate of claims that have been incurred, but not reported. Expenditures are recorded in the fund from which the liability is paid (see *Notes 21* and *24*).

10. The State provides postemployment health care (OPEB) and life insurance benefits to the majority of employees who either retire from the State or receive long-term disability benefits. These benefits are administered by the Missouri Consolidated Health Care Plan (MCHCP), the Missouri State Employees' Retirement System (MOSERS), the MoDOT/MSHP Medical and Life Insurance Plan (MHPML), and the Conservation Employees' Insurance Plan (CEIP). MCHCP is a cost-sharing multiple-employer defined benefit plan, while MHPML and CEIP are single-employer defined benefit plans. Health care benefits and MOSERS life insurance benefits are funded through both employer and employee contributions. The University of Missouri's OPEB plan is a single-employer defined benefit plan for all qualified employees.

For the purposes of measuring the total/net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from have been recognized on the same basis as they are reported by the plans. Employer contributions are recognized as revenue and reported when due and payable. Benefits are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value (see *Note 8*).

11. The State has two major retirement systems which cover substantially all State employees and a retirement plan for University of Missouri employees. These systems are the Missouri State Employees' Retirement System (MOSERS) and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS). The Missouri State Employees' Plan (MSEP) is a cost-sharing multiple employer defined benefit public employee retirement plan administered by MOSERS. MOSERS also administers the Judicial Plan, a single-employer defined benefit public employee retirement plan. MPERS is a single-employer defined benefit public employee retirement plan. The University of Missouri Retirement, Disability, and Death Benefit Plan is a single-employer defined benefit plan for all qualified employees.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value (see *Note 7*).

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

Long-term liabilities of all proprietary, pension (and other employee benefit) trust, and private-purpose trust funds are accounted for in the respective funds.

M. Net Position and Fund Balance

The difference between fund assets, deferred outflows, liabilities, and deferred inflows is reported as “Net Position” on the government-wide, proprietary, fiduciary, and component unit fund statements and “Fund Balance” on the governmental fund financial statements.

Net Position is reported in three categories:

Net Investment in Capital Assets – An account used to segregate the portion of net position attributable to capital assets and related debt. It consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributed to acquisition, construction, or improvement of those assets.

Restricted Net Position – An account used to segregate the portion of net position that have constraints on their use, which are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through enabling legislation.

Enabling legislation authorizes the State to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. At June 30, 2021, net position restricted by enabling legislation equaled \$750,577,000 for governmental activities.

Unrestricted Net Position – An account used to segregate the portion of net position that does not meet the definition of the two preceding categories.

When both restricted and unrestricted resources are available for use, generally the State uses restricted resources first, then unrestricted resources as they are needed. However, there may be instances in which restricted funds may only be spent in proportion to unrestricted funds spent.

Governmental Fund Balance Classifications

The State’s fund balances are classified as:

Nonspendable – Amounts that are not expected to be converted to cash or amounts that are legally or contractually required to be maintained intact.

Restricted – Amounts that are restricted for specific purpose due to constraints that are externally imposed by creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action of the legislature. Committed amounts cannot be used for other purposes unless the General Assembly passes legislation to remove the restraints.

Assigned – Amounts that are constrained by the legislature’s intent to be used for a specific purpose, but do not meet the criteria for restricted or committed. The constraint for assigned fund balance is established by the Revised Statutes of the State of Missouri.

Unassigned – Amounts that do not meet the criteria of any of the classifications listed above.

Negative Fund Balance

A negative fund balance is prohibited in all fund balance classifications except Unassigned. When a negative fund balance exists, the shortfall would be covered by the next fund balance classification for that specific purpose.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 1 - Significant Accounting Policies (cont.)

N. Interfund Transactions

During the fiscal year, the State incurs various transactions between funds, including expenditures and transfers of resources to distribute interest earnings, finance operations, provide services, service debt, and acquire capital assets. Interfund transactions consist of these three types:

1. Transactions that would be treated as revenues or expenditures/expenses, if they involved organizations external to the State, are similarly treated when involving other funds of the State. Major transactions that fall into this category include payments to internal service funds from other funds for services rendered.
2. Transactions that reimburse another fund for an expense reduce the expenses of the fund that is being reimbursed and increase the expenses for the fund doing the reimbursement. Therefore, they are not shown on the face of the statements.
3. Operating subsidies and transfers from funds receiving revenues to funds through which the resources are to be expended are classified as transfers (see *Note 16*). These transactions are eliminated on the face of the financial statements if the transfer in and transfer out are either both in governmental funds or both in enterprise funds. Of the remaining transfers, any transfers in and transfers out that are within the governmental activities are eliminated at the Government-Wide Statement of Activities.

O. Property Taxes

Presently there is a state property tax of three cents on each hundred dollars assessed valuation on all real estate and personal property. The tax collected is deposited into the Blind Pension Fund, which is a component of social assistance.

Property taxes in Missouri are levied by October 31 of each year on assessed valuation as of January 1 of that year. Property taxes are due and payable by December 31 and penalties on unpaid taxes are imposed after that date. Assessed values are established by each county assessor's office and are calculated as a percent of market value except for agricultural land which is calculated on productive capability. The percentage for real property varies according to use: residential at 19%, commercial at 32%, and agricultural at 12%. Personal property is assessed according to type with the majority at 33 1/3% of market value.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 2- Reporting Changes and Classifications

The State of Missouri implemented the following new accounting standards issued by the Governmental Accounting Standards Board (GASB) for the fiscal year ending June 30, 2021:

- GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying fiduciary activities of all state and local governments and how those activities should be reported. This statement changes the presentation of Fiduciary activities, located on the following statements: Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position, Combining Statement of Fiduciary Net Position Custodial Funds, and the Combining Statement of Change in Fiduciary Net Position Custodial Fund.
- GASB Statement No. 90, *Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61*, which defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. It also provides guidance for reporting a component unit if a government acquires a 100 percent equity interest in that component unit. This statement has no impact on the State's ACFR.
- GASB Statement No. 93, *Replacement of Interbank Offered Rates*, which establishes accounting and financial reporting requirements related to the replacement of the London Interbank Offered Rate (LIBOR) in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. This statement has no impact on the State's ACFR.

The State of Missouri has reclassified 22 funds for the fiscal year ended June 30, 2021. These funds were reclassified due to the implementation of GASB Statement No. 84, *Fiduciary Activities*.

Note 3 - Deposits and Investments

The State Treasurer's Office maintains a cash and short-term investment pool that is used by substantially all state funds of the primary government. These funds do not include accrued interest. Certain organizational units are authorized to administer assets designated to their organization in a manner similar to the deposit and investment activities of the State as a whole. Summarized on the following page is the portfolio that represents the "Cash and Cash Equivalents," "Investments," "Restricted Assets – Cash and Cash Equivalents," and "Restricted Assets – Investments" as reported at June 30, 2021.

A. Deposits

The State minimizes custodial credit risk by restrictions set forth in state law and stipulations in the State Treasurer's Office Investment Policy. Custodial credit risk is risk that, in the event of the failure of a depository financial institution, the State will not be able to recover deposits or will not be able to recover collateralized securities that are in the possession of an outside party. Statutes restrict the State Treasurer's Office to deposit funds in financial institutions that are physically located in Missouri, which are selected based on financial stability and community involvement. The financial institution's loan to deposit ratio must exceed 50% at the time of deposit and deposits must be collateralized at least 100% in excess of FDIC coverage with approved securities. Deposits must have a maturity of five years or less and earn interest at varying rates based on State law.

Primary Government

At June 30, 2021, the bank balance of the primary government's deposits was \$1,450,658,000. Of the bank amount, \$13,936,000 was exposed to custodial credit risk by being uninsured and collateralized with securities held by the pledging financial institutions, \$605,611,000 was held by the U.S. Treasury, and the remainder was not exposed to custodial risk.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

Fiduciary

At June 30, 2021, the bank balance of the deposits of the fiduciary funds was \$90,150,000.

Component Units

Information on the component units' deposits is available within their individual financial statements.

B. Investments

Statutes authorize the State Treasurer's Office to invest in U.S. Treasury or Agency securities maturing within five years, commercial paper and banker's acceptances maturing within 180 days, or in repurchase agreements maturing within 90 days secured by U.S. Treasury, or Agency securities of any maturity. There have been no violations of these investment restrictions during fiscal year 2021.

The State Treasurer's Office minimizes credit risk, the risk of loss due to the failure of the security issuer or backer, by establishing a pre-approved list of financial institutions and companies that will be used to purchase commercial paper. The State Treasurer's Office also conducts regular credit monitoring, pre-qualifies the financial institutions and brokers/dealers with which the State Treasurer's Office will do business for broker services and repurchase agreements, and diversifies the portfolio to reduce potential losses on individual securities.

Custodial credit risk is the risk that, in the event of failure of the counterparty to a transaction, the State will not be able to recover the value of their investment or collateral securities that are in the possession of an outside party. The State Treasurer's Office minimizes custodial credit risk by requiring that all securities be held in the State's name at the State's custodial bank, Wells Fargo Bank, National Association, or at one of the State Treasurer's Office approved collateral custodians.

Primary Government

At June 30, 2021, the reported amount of the primary government's investments was \$8,255,089,000. Of this amount, \$196,069,000 was exposed to custodial credit risk because it was uninsured and unregistered with securities held by the State's counterparty.

Fiduciary

At June 30, 2021, the reported amount of the fiduciary funds investments was \$19,542,386,000.

Component Units

Information on the component units investments is available within their individual financial statements.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

The following table (in thousands of dollars) provides information about the interest rate risks associated with the State's investments. Statutes also authorize investment of funds not held by the State Treasurer's Office. The externally-held internal service funds, the custodial and pension (and other employee benefit) trust funds, and the component units, in accordance with statutory authority, invest primarily in U.S. government securities, repurchase agreements, preferred and common stocks, bonds, real estate, fixed income securities, mutual funds, and investments in limited partnerships. The investments include certain short-term cash equivalents, various long-term items, and restricted assets by maturity, or in certain instances, a weighted average maturity in years. The State Treasurer's Office minimizes the risk of the market value of securities falling due to changes in interest rates by maintaining an effective duration of less than 3.5 years, and holding at least 30% of the portfolio's total market value in securities with a maturity of 12 months or less.

	Maturity in Years					Total Fair Value *
	Less than 1	1-5	6-10	More than 10	No Maturity	
All Fund Types except Fiduciary Funds and Component Units:						
U.S. Treasury Securities	\$ 235,524	\$ 539,687	\$ 10,742	\$ 12,199	\$ —	\$ 798,152
U.S. Agency Securities	549,346	3,989,963	—	—	—	4,539,309
U.S. Government Guaranteed Mortgages	422	2,106	—	—	—	2,528
Collateralized Mortgage Obligations	289	3,812	—	—	—	4,101
U.S. Agency-Sponsored Securities	10,848	144,506	—	—	—	155,354
Repurchase Agreements	2,194,105	—	—	—	—	2,194,105
Stocks	—	—	—	—	9,521	9,521
Certificates of Deposit	251	1,939	501	—	—	2,691
Mutual Funds	—	—	—	—	1,935	1,935
Commercial Paper	547,393	—	—	—	—	547,393
Subtotal	3,538,178	4,682,013	11,243	12,199	11,456	8,255,089

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

	Maturity in Years					Total Fair Value *
	Less than 1	1-5	6-10	More Than 10	No Maturity	
Fiduciary Funds:						
U.S. Government Securities	—	—	19,396	46,986	—	66,382
U.S. Treasury Securities	1,046,313	2,683,018	—	1,771,567	—	5,500,898
U.S. Agency Securities	109,952	56,946	21,037	53,474	—	241,409
U.S. Government Mortgage-Backed Securities	—	17,539	343	21,343	—	39,225
Repurchase Agreements	990,441	—	—	—	—	990,441
Stocks	—	—	—	—	535,617	535,617
Bonds	228	928,817	445,868	123,938	465	1,499,316
Commercial Paper	2,517	—	—	—	—	2,517
International Equities	—	—	—	13,506	—	13,506
Mortgages/ Real Estate	8	5,048	119	36,712	659,560	701,447
Asset-Backed Securities	—	10,068	113,961	153,735	—	277,764
Short-Term Securities	1,337,323	—	—	—	—	1,337,323
Exchange Traded Funds	—	—	—	—	30,172	30,172
Mutual Funds	—	—	—	—	1,797,900	1,797,900
Alternatives/ Limited Partnership	—	—	—	—	6,376,345	6,376,345
Absolute Return	—	—	—	—	108,412	108,412
Other	—	—	—	—	23,712	23,712
Subtotal	3,486,782	3,701,436	600,724	2,221,261	9,532,183	19,542,386
Total Investments	\$ 7,024,960	\$ 8,383,449	\$ 611,967	\$ 2,233,460	\$ 9,543,639	\$ 27,797,475

*The State Treasurer's Office reports their repurchase agreements and certificates of deposit in the amount of \$2,159,000 at amortized costs. The Missouri State Public Employees Deferred Compensation Plan and the Missouri State Public Employees Deferred Compensation Incentive Plan reports their Stable Value Funds in the amounts of \$547,000 and \$347,000 respectively, at contract value. The Missouri State Employees' Retirement System reports their cash equivalents in the amount of \$760,000, at cost plus accrued interest.

The State minimizes concentration of credit risk, the risk attributed to the magnitude of an investment in a single issuer. State statute prohibits the State Treasurer's Office from investing more than 15% of the total time deposits with any single financial institution. State investment policy limits investment in commercial paper to 10% of the total portfolio per issuer and no more than 15% of the total portfolio may be invested in repurchase agreements with a single counterparty. Addendum C to the investment policy temporarily increases this limit to 30% of the total portfolio through December 31, 2021. Addendum A to the investment policy limits the total amount of linked deposits a financial institution may receive to 20% of the statutory cap set forth in Section 30.753.1, RSMo. There are no restrictions in the amount that can be invested in U.S. securities. During fiscal year 2021, the State did not have any instances of noncompliance with these requirements and policies.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

Fair Value Measurement

The State of Missouri categorizes its fair value measurements within the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurements and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

- Level 1 – Unadjusted quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are unobservable.
- Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lower level input that is significant to the valuation. The State's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The State Treasurer's Office uses the market approach for the determination of the fair value of investments, except for repurchase agreements and certificates of deposit, which are measured at amortized costs.

Debt, equities, and investment derivatives classified in level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Debt securities and liabilities classified in level 2 have non-proprietary information that was readily available to market participants from multiple independent sources, which are known to be actively involved in the market. Pricing inputs may include market quotations, yields, maturities, call features, and ratings. A portion of the derivative securities classified in level 2 are securities whose values are derived daily from associated traded securities. Other investments listed as level 2 include debt securities where an independent pricing evaluator had direct observable information, including: trading volume, multiple sources of market data and benchmark spreads. FX forwards are included due to the valuation coming from observable forward rates on the underlying currencies. The equity index swap is included because valuation inputs include an observable interest rate and the underlying index.

Investments listed as level 3 include debt securities where an independent pricing evaluator did not have direct observable information for comparable securities. Significant inputs used in the valuation are not available aside from the evaluator providing the price. Direct investments in private equity, real estate, credit, and real assets are included because the valuation techniques utilize discounted cash flows or other non-observable market information.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

Investments Measured at Fair Value as of June 30, 2021 for the Primary Government (in thousands):

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity Securities				
Repurchase Agreements	\$ 45,208	\$ 10,448	\$ 34,760	\$ —
Stocks	9,521	9,521	—	—
Mutual Funds	1,935	1,935	—	—
Total Equity Securities	56,664	21,904	34,760	—
Debt Securities				
U.S. Treasury Securities	798,152	44,504	753,648	—
U.S. Agency Securities	4,539,309	—	4,539,309	—
U.S. Government Guaranteed Mortgages	2,528	—	2,528	—
Collateralized Mortgage Obligations	4,101	—	4,101	—
U.S. Agency- Sponsored Securities	155,354	—	155,354	—
Certificates of Deposit	2,448	2,448	—	—
Commercial Paper	547,393	—	547,393	—
Total Debt Securities	6,049,285	46,952	6,002,333	—
Total Primary Government Investments	<u>\$ 6,105,949</u>	<u>\$ 68,856</u>	<u>\$ 6,037,093</u>	<u>\$ —</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

Investments Measured at Fair Value as of June 30, 2021 for the Fiduciary funds (in thousands):

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Short Term Securities	\$ 567,457	\$ 567,457	\$ —	\$ —
Equity Securities				
Stocks	221,666	219,692	1,902	72
Exchange Traded Funds	30,172	30,172	—	—
Mutual Funds	561,900	561,900	—	—
Real Estate	659,561	659,561	—	—
Other Investments	9,887	9,887	—	—
Total Equity Securities	1,483,186	1,481,212	1,902	72
Debt Securities				
U.S. Treasury Securities	5,567,636	5,468,777	69,741	29,118
U.S. Agency Securities	241,290	42	241,248	—
Commercial Paper	2,517	—	2,517	—
Collateralized Debt Obligations	258,706	—	101,046	157,660
Repurchase Agreements	980,154	80,154	900,000	—
Bonds and Asset Backed Securities	577,207	—	504,925	72,282
Non U.S Sovereign	21,860	—	21,860	—
Mortgage Backed Securities	87,948	—	64,041	23,907
Total Debt Securities	7,737,318	5,548,973	1,905,378	282,967
Private Markets*				
Private Equity	477,537	—	—	477,537
Real Estate	132,862	—	—	132,862
Real Assets	333,377	(423)	—	333,800
Opportunistic Debt	310,914	41,424	—	269,490
Total Private Markets	1,254,690	41,001	—	1,213,689

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

Investments Measured at Fair Value as of June 30, 2021 for the Fiduciary funds (in thousands) (cont.):

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment Derivative Instruments				
Future Contracts	\$ (2,956)	\$ (2,956)	\$ —	\$ —
Interest Rate Swap	16,782	—	—	16,782
Equity Swaps	(1,794)	—	(1,794)	—
Total Investment Derivative Instruments	12,032	(2,956)	(1,794)	16,782
Total Investments by Fair Value Level	<u>\$ 11,054,683</u>	<u>\$ 7,635,687</u>	<u>\$ 1,905,486</u>	<u>\$ 1,513,510</u>

Investments Measured at the Net Asset Value (NAV):

	Total
Active Hedge Funds	\$ 2,304,981
Commingled equity funds	1,927,135
Commingled fixed income funds	288,560
Commingled short-term investment funds	166,997
MOSERS investment portfolio fund	3,955
Missouri target date funds	1,241,611
Private equity funds	572,305
Private real estate and timber funds	324,509
Total investments Measured at NAV	<u>\$ 6,830,053</u>
Total Investments Measured at Fair Value	<u>\$ 17,884,736</u>
Other Obligations	
Reverse Repurchase Agreements	\$ 3,723,313
Total Other Obligations	<u>\$ 3,723,313</u>
Other Investments	
Reported at Contract Value	\$ 894,866
Total Other Investments	<u>\$ 894,866</u>

As of June 30, 2021, Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS) has unfunded commitments in private markets investments consisting of \$122,196,000 in private equity, \$102,005,000 in real estate, \$112,840,000 in real assets, and \$232,133,000 in opportunistic debt.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

Investments Measured at the Net Asset Value as of June 30, 2021, (in thousands):

Investments	Fair Value	Unfunded Commitments (U.S. Dollars)	Redemption Frequency (If currently eligible)	Redemption Notice Period (Days)
Active hedge funds				
Equity long/short ¹	\$ 19,691	\$ —	Quarterly	45
Equity market neutral ²	109,396	—	Quarterly	90
			Semi-Annually for MOSERS;	
Event driven ³	238,370	—	Monthly for MPERS	60-90
Fund-of-funds ⁴	1,044,482	—	Monthly	95
Global asset allocation ⁵	29,581	—	Monthly	5-60
In liquidation ⁶	12,936	—	N/A	N/A
Macro ⁷	63,489	—	Quarterly	30
Merger arbitrage ⁸	146,114	—	Monthly	45
			Monthly, Quarterly for MOSERS;	
Multi-strategies ⁹	568,886	—	Monthly for MPERS	60-90
Quantitative ¹⁰	70,743	—	Monthly	30
Structured credit - relative value ¹¹	1,293	—	Quarterly	60
Total active hedge funds	<u>2,304,981</u>	<u>—</u>		
Commingled equity funds ¹²	1,927,135	—	Daily, Monthly	0-30
Commingled fixed income funds ¹³	288,560	—	Daily	2
Commingled short-term investment funds ¹⁴	166,997	—	Daily	0
MOSERS investment portfolio fund ¹⁵	3,955	—	Monthly	None
Missouri target date funds ¹⁶	1,241,611	—	Daily	None
Private equity funds ¹⁷	572,305	455,023	N/A	N/A
Private real estate and timber funds ¹⁷	324,509	49,352	Daily for MPERS	90 days for MPERS
Total investments measured at NAV	<u>\$ 6,830,053</u>	<u>\$ 504,375</u>		

The following is a description of valuation methodologies used for assets recorded at fair value.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

¹Long/short equity hedge funds – This value is 100% from MPERS. Consisting of one fund, this strategy invests in both long and short in Asia Pacific equity securities, with a goal of adding growth and minimizing market exposure. Due to contractual lock-up restrictions, the value of these investments is eligible for redemption in the next six months.

²Equity market neutral hedge fund – This value is 100% from MOSERS. This consists of one fund whereby the strategy invests in both long and short in U.S. and global equity securities, with the goal of having little to no net market exposure. This investment is valued at NAV, is redeemable quarterly and is not subject to lockup restrictions.

³Event driven hedge funds – This value is 92.7% from MOSERS (with a redemption period of 60 days) and 7.3% from MPERS (with a redemption period of 90 days). Consisting of one fund for MOSERS and one fund for MPERS, this strategy seeks to gain an advantage from pricing inefficiencies that may occur in the onset or aftermath of a corporate action or related event. This investment is valued at NAV, redeemable semi-annually, and is not subject to lockup restrictions for MOSERS. Due to contractual lock-up restrictions, the value of this investment is eligible for redemption in the next four months for MPERS.

⁴Fund-of-funds – This value is 100% from MOSERS. Consisting of three funds, these funds seek to provide diversification by holding a number of funds within a single fund structure. These investments are redeemable monthly, and are subject to liquidation of the underlying funds.

⁵Global asset allocation – This value is 100% from MPERS. Consisting of one fund, this strategy is highly diversified and uses fundamental research to develop systematic rules for trading positions. Due to contractual lock-up restrictions, the value of this fund is eligible for redemption in the next 35 days.

⁶Pending liquidated hedge funds – This value is 92.4% from MOSERS and 7.6% from MPERS. MOSERS has nine hedge funds that have been fully redeemed as of June 30, 2021, which are awaiting final distribution of the proceeds, which will be received upon sale of the underlying investments or upon completion of the audit of financial statements for MOSERS. MPERS has a small investment in two hedge funds that are in liquidation and have been closed, and MPERS is awaiting the sale of the final assets.

⁷Macro hedge funds – This value is 100% from MOSERS. Consisting of one fund, this strategy seeks to take advantage of macroeconomic dislocations between countries by trading a number of different markets and financial instruments. This investment is redeemable quarterly, and is not subject to lock-up restrictions.

⁸Merger arbitrage hedge fund – This value is 100% from MOSERS. Consisting of one fund, this strategy invests in the common stock of companies that are involved in publicly announced mergers and seeks to generate attractive returns while dampening volatility. This investment is valued at NAV, is redeemable monthly, and is not subject to lock-up restrictions.

⁹Multi-strategy hedge fund – This value is 96.6% from MOSERS and 3.4% from MPERS. Consisting of three funds for MOSERS and two funds for MPERS, these funds aim to pursue varying strategies in order to diversify risks and reduce volatility. These investments are redeemable monthly or quarterly, but are subject to lock-up restrictions for MOSERS. Due to contractual restrictions, the value of these investments is eligible for redemption in the next six months for MPERS.

¹⁰Quantitative hedge funds – This value is 100% from MOSERS. Consisting of two funds, this strategy attempts to achieve uncorrelated returns using advanced statistical methods to select securities across liquid public markets. These investments are redeemable monthly, and are not subject to lock-up restrictions.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

¹¹Structured credit – relative value – This value is 100% from MPERS. As of June 30, MPERS had one fund that is in liquidation in this strategy.

¹²Commingled equity funds – This value is 85.8% from MOSERS (with a redemption period of 1-10 days) and 14.2% from MPERS (with a redemption period of 0-30 days). These international equity funds (6 for MOSERS and 3 for MPERS) are considered to be commingled in nature. For MPERS, due to contractual lock-up restrictions, 65% of this capital is eligible for redemption in one month; the remaining 35% has daily liquidity.

¹³Commingled fixed income funds – This value is 100% from MOSERS. One fixed income fund is considered to be commingled in nature. This investment is valued at the NAV held at the end of the period based upon the fair value of the underlying investment.

¹⁴Commingled short-term investment funds – This value is 100% from MOSERS. Two short-term investment funds are considered to be commingled in nature. These investments are valued at the NAV held at the end of the period based upon the fair value of the underlying investments.

¹⁵MOSERS Investment Portfolio (MIP) fund – This value is 84.7% from the Deferred Compensation Plan and 15.3% from the Deferred Compensation Incentive Plan. Participant transactions (purchases and sales) may occur monthly. The significant investment strategies are designed to achieve long-term total returns, comprised of capital appreciation and income. There are no unfunded commitments. There are generally no restrictions as to the redemption of these investments.

¹⁶Missouri target date funds – This value is 80.4% from Deferred Compensation Plan and 19.6% from the Deferred Compensation Incentive Plan. Participant transactions (purchases and sales) may occur daily. The significant investment strategies of the funds are to seek the highest total return over time, consistent with the fund's asset mix. The asset allocations within these target date funds adjust automatically over time. Each fund invests more aggressively in its early years and becomes more conservative as it reaches its time horizon. There are no unfunded commitments. There are generally no restrictions as to the redemption of these investments.

¹⁷Private equity, real estate and timber funds – This value is 92.3% from MOSERS and 7.7% from MPERS. MOSERS' private equity portfolio consists of 38 funds with exposure to buyout funds, distressed funds, infrastructure, energy, secondary, royalty funds, and special situations. The real estate portfolio, comprised of seven funds, invests mainly in U.S. commercial real estate. The timber portfolio consists of one fund in liquidation which invests in global timberland. The fair values of the majority of these funds has been determined using net assets valued one quarter in arrears plus current quarter cash flows. These funds are not eligible for redemption. Distributions are received as underlying investments when the funds are liquidated, which, on average, can occur over the span of 5 to 10 years. MPERS invests in three core private real estate funds that are commingled in nature. Two are eligible for redemption on a quarterly basis and one on a daily basis.

The State Treasurer's Office requires investments in commercial paper and bankers' acceptances to have the highest letter and numerical ranking (such as A1/P1) as rated by at least two Nationally Recognized Statistical Rating Organizations (NRSROs). The Treasurer does not have any additional policies regarding credit ratings of investments.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

The following table (in thousands of dollars) provides information on the credit ratings associated with the State's investments in debt securities.

	Moody's	S & P	Fair Value
Primary Government/Fiduciary:			
U.S. Government Securities	Aaa	AA+	\$ 684,979
	NR	NR	66,352
U.S. Treasury	Aaa	AA+	756,896
	NR	NR	39,439
U.S. Agencies	Aaa	NR	38,674
	NR	AA	61,926
	NR	NR	14,069
U.S. Government Mortgage- Backed Securities	NR	NR	21,880
Bonds	A	NR	19,958
	NR	AAA	50,037
	NR	AA	1,013,001
	NR	A	132,609
	NR	BBB	259,182
	NR	BB	4,137
	NR	NR	19,927
Repurchase Agreements	Aaa	AA+	113,619
	Aaa	NR	10,448
	NR	NR	3,059,724
U.S. Agency-Sponsored Securities	Aaa	AA+	4,360,811
	Aaa	NR	4,849
	NR	AA	351,487

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

	Moody's	S & P	Fair Value
Asset-Backed Securities	NR	AAA	\$ 84,415
	NR	AA	59,640
	NR	A	6,631
	NR	B	8,764
	NR	NR	118,314
Exchange Traded Funds	4-STAR	NR	30,172
Certificates of Deposit	NR	NR	2,692
Commercial Paper	P-1	A-1+	549,910
Pooled Investments	NR	AAA	166,997
Implicit U.S. Agencies	NR	AA	107,797
U.S. Agency Securities	Aaa	AA+	1,308
U.S Government			
Guaranteed Mortgages	Aaa	AA+	2,528
	Aaa	NR	16,542
	NR	AA	804
Collateralized Mortgage			
Obligations	Aaa	AA+	4,101
	Aaa	NR	4,391
Equities	A	NR	28,472
Equity Funds	NR	NR	1,588
Fixed Income	NR	NR	347
Stocks	NR	NR	9,413
Other	NR	AAA	9,250
	NR	AA	4,081
	NR	A	2,269
	NR	BBB	8,440
	NR	BB	1,107
	NR	B	161
	NR	CCC	281
	NR	CC	99
	NR	D	531
	NR	NR	24,781
Total Rated Investments			<u>\$ 12,339,830</u>

NR = Not Rated.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The State Treasurer's Office does not have any deposits or investments in foreign currency and therefore does not have a policy regarding foreign currency risk. The Missouri State Employees' Retirement System and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System do have foreign currency deposits and investments which may be used for hedging purposes. The following table (in thousands of dollars) provides information on deposits and investments held in various foreign currencies, which are stated in U.S. dollars.

Currency	Investment Type					Total
	Cash	Equities	Fixed Income	Alternatives	Real Estate	
Australian Dollar	\$ 9,043	\$ 433	\$ —	\$ —	\$ —	\$ 9,476
Brazilian Real	—	11,826	—	—	—	11,826
British Pound Sterling	1,344	80,216	—	—	1,944	83,504
Canadian Dollar	6,002	4,077	—	—	—	10,079
Chilean Peso	—	906	—	—	—	906
Chinese Yuan Renminbi	—	10,672	—	—	—	10,672
Colombian Peso	—	250	276	—	—	526
Czech Koruna	(1)	287	3	—	—	289
Danish Krone	—	2,372	—	—	—	2,372
Egyptian Pound	—	178	—	—	—	178
Euro	6,671	66,754	(83)	44	30,865	104,251
Hong Kong Dollar	(7,202)	96,232	—	—	—	89,030
Hungarian Forint	—	543	—	—	—	543
Indian Rupee	—	23,245	1	—	—	23,246
Indonesian Rupiah	—	2,508	—	—	—	2,508
Japanese Yen	1,219	156,769	—	—	—	157,988
Kuwaiti Dinar	—	1,199	—	—	—	1,199
Malaysian Ringgit	—	2,782	—	—	—	2,782
Mexican Peso	—	4,921	—	—	—	4,921
Norwegian Krone	—	979	—	—	—	979
Pakistani Rupee	—	41	—	—	—	41
Philippine Peso	—	1,417	—	—	—	1,417
Polish Zloty	—	1,629	3	—	—	1,632
Qatari Riyal	—	1,503	—	—	—	1,503
Russian Ruble	—	4,958	117	—	—	5,075
Saudi Riyal	—	6,550	—	—	—	6,550
Singapore Dollar	—	9,382	—	—	—	9,382
South African Rand	(1,088)	15,602	—	—	—	14,514
South Korean Won	(313)	40,263	2,009	—	—	41,959
Swedish Krona	—	243	—	—	—	243
Swiss Franc	—	41,569	—	—	—	41,569
Taiwan New Dollar	—	45,183	—	—	—	45,183
Thai Baht	—	8,535	—	—	—	8,535
Turkish Lira	—	4,169	—	—	—	4,169
United Arab Emirates Dirham	—	1,440	—	—	—	1,440
Total	\$ 15,675	\$ 649,633	\$ 2,326	\$ 44	\$ 32,809	\$ 700,487

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

C. Securities Lending Program

Missouri State Employees' Retirement System:

The Missouri State Employees' Retirement System's (MOSERS) board of trustees' investment policies permit the pension trust funds to participate in a securities lending program. Fixed income, international equity and domestic equity securities of the pension trust funds are loaned to participating brokers who provide collateral in the form of cash, U.S. Treasury or government agency securities, or letters of credit issued by approved banks. Collateral must be provided in the amount of 102% of market value for domestic loans and 105% of market value for international loans. MOSERS does not have the authority to pledge or sell collateral securities without borrower default.

MOSERS had no securities lending activity in fiscal year 2021.

Missouri Department of Transportation and Highway Patrol Employees' Retirement System:

In accordance with the investment policies set by the board of trustees, the Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS), lends its securities to broker-dealers and banks pursuant to a form of loan agreement. MPERS custodial bank, Northern Trust, is authorized to lend available securities to approved broker-dealers and banks subject to the receipt of acceptable collateral.

MPERS may lend securities and receive cash, securities insured or guaranteed by the U.S. government or its agencies, and irrevocable bank letters of credit as collateral. MPERS cannot pledge or sell non-cash collateral unless a borrower defaults. Borrowers are required to deliver collateral for each loan equal to: 1) 102% of the fair value of the loaned securities plus any accrued interest in the case of loaned securities denominated in United States dollars or whose primary trading market is located in the United States, and 2) 105% of the fair value of the loaned securities plus any accrued interest in the case of loaned securities not denominated in United States dollars or whose primary trading market was not located in the United States.

MPERS did not impose any restrictions during the fiscal year on the amount of the loans that the custodial bank made on its behalf. There were no known failures by any borrowers to return loaned securities or pay distributions thereon during the year.

MPERS and borrowers maintained the right to terminate all securities lending transactions on demand. At June 30, 2021, the cash collateral fund had a fair value of \$117,449,000.

At June 30, 2021 and June 30, 2020, MPERS had earned \$131,000 and \$194,000, respectively, on the securities lending program.

Component Units:

Information on the component units securities lending program is available within their individual financial statements.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

D. Derivatives

Missouri State Employees' Retirement System:

While the Board has no formal policy specific to derivatives, Missouri State Employees' Retirement System (MOSERS), through its external investment managers, holds investments in futures contracts, swap contracts and forward foreign currency exchange. MOSERS enters into these certain derivative instruments as investments primarily to enhance the performance and reduce the volatility of its portfolio. It enters swaps and futures contracts to gain or hedge exposure to certain markets and to manage interest rate risk and enters into forward foreign currency exchange contracts primarily to hedge foreign currency exposure. For the year ended June 30, 2021, the change in fair value of the swap contracts resulted in a gain of \$996 million of investment income. The change in fair value in the futures contracts resulted in a gain of \$85 million of investment income. MOSERS does not anticipate additional significant market risk from the derivative arrangements. MOSERS could be exposed to risk if the counterparties to the contracts are unable to meet the terms of the contracts. MOSERS anticipates that the counterparties will be able to satisfy their obligations as credit evaluations and credit limits are monitored by the investment managers.

The following table (in thousands of dollars) summarizes the various contracts in MOSERS portfolio as of June 30, 2021. The investments are reported at fair value and are included on the Statement of Fiduciary Net Position of the pension (and other employee benefit) trust funds.

Futures Contracts:

Notional Amount	Exposure
\$(125,315)	\$(2,956)

Swap Contracts:

Notional Amount	Counterparty Exposure
\$3,351,546	\$63,588

Missouri Department of Transportation and Highway Patrol Employees' Retirement System:

MPERS has an investment policy which holds investments in future contracts, swap contracts, options contracts, and forward foreign currency exchange contracts. Derivative financial instruments involve credit risk and market risk. The notional value related to these derivative instruments are generally not recorded on the financial statements; however, the change in fair value of these instruments is incorporated in performance.

The following table (in thousands of dollars) summarizes the various contracts in MPERS portfolio as of June 30, 2021. The investments are reported at fair value and are included on the Statement of Fiduciary Net Position of the pension (and other employee benefit) trust funds.

Type	Notional/Fair Value		Unrealized Gain (Loss)	
Futures Contracts	\$	498,504	\$	73,267
Swap Contracts		159,661		16,495
Total	\$	658,165	\$	89,762

Through the use of derivatives, MPERS is exposed to risk that the counterparties involved in the contracts are unable to meet the term of their obligation. MPERS investment managers seek to control this risk through counterparty credit evaluations and approvals, counterparty credit limits, and exposure monitoring procedures. MPERS anticipates the counterparties will be able to satisfy their obligations under the contracts. The associated counterparty's credit rating is an A+.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 3 - Deposits and Investments (cont.)

Component Units:

Information on the component units derivatives is available within their individual financial statements.

E. Assets Held in Escheat

The Unclaimed Property Division of the Missouri State Treasurer's Office holds unclaimed stocks, bonds, mutual fund positions, and other securities that have been turned over by their holders on behalf of the securities' owners. The State takes custody of these securities until the owner claims them or if unclaimed, liquidates them after 18 to 24 months. The State holds the securities in order to return them to their owners. The State does not report these securities as investments because they do not meet the Governmental Accounting Standards Board's definition of "investments". This is because the State does not hold the securities for income or profit, nor do the securities have a present service capacity for the State. A total of \$29,554,000 of these unclaimed securities is shown as "Assets Held in Escheat" on the private-purpose trust funds combining statement of fiduciary net position in Unclaimed Property.

Note 4 - Governmental Fund Balance

Fund Balance Classifications by Purpose – In the basic financial statements, the fund balance classifications are presented in the aggregate. The following displays the fund balances by major purpose (in thousands of dollars):

	Nonspendable	Restricted	Committed	Assigned
General Fund				
Inventories	\$ 110,483	\$ —	\$ —	\$ —
Loans Receivable	63,435	—	—	—
Consumer Protection	—	—	—	27,106
Budget Reserve	—	—	603,023	—
Education	—	2,239	6,995	31,284
Medical and Other Assistance	—	—	46	—
Energy Programs	—	—	—	31,251
Forfeited Financial Instruments	—	—	—	1,431
Federal Government	—	1,368,863	—	—
Taxes	—	—	—	3,705
Other	—	858	1,286	49,865
Total	<u>\$ 173,918</u>	<u>\$ 1,371,960</u>	<u>\$ 611,350</u>	<u>\$ 144,642</u>
Public Education				
Inventories	\$ 124	\$ —	\$ —	\$ —
Loans Receivable	—	—	—	738
Education	—	366,863	2,433	32,241
Total	<u>\$ 124</u>	<u>\$ 366,863</u>	<u>\$ 2,433</u>	<u>\$ 32,979</u>
Conservation and Environmental Protection				
Inventories	\$ 228	\$ —	\$ —	\$ —
Loans Receivable	—	509	1,551,664	7,317
Conservation Commission	—	131,034	—	—
Environmental Conservation	—	35,032	511,434	99,756
State Parks	—	27,741	—	341
Johnson-Travis Memorial	—	1,008	—	—
Forfeited Financial Instruments	—	—	—	1,317
Total	<u>\$ 228</u>	<u>\$ 195,324</u>	<u>\$ 2,063,098</u>	<u>\$ 108,731</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 4 - Governmental Fund Balance (cont.)

	Nonspendable	Restricted	Committed	Assigned
Missouri Road Fund				
Inventories	\$ 41,855	\$ —	\$ —	\$ —
Highways and Transportation	—	1,184,448	—	—
Total	<u>\$ 41,855</u>	<u>\$ 1,184,448</u>	<u>\$ —</u>	<u>\$ —</u>
Non-Major Special Revenue Funds				
Inventories	\$ 6,945	\$ —	\$ —	\$ —
Loans Receivable	—	—	—	1,584
Professional Boards and Licensure	—	—	14,409	33,372
Legal Assistance	—	21,100	483,724	8,775
Agriculture	—	9,430	488	8,880
Medical and Other Assistance	—	72,345	18,619	7,055
Transportation	—	54,926	—	169,970
Highway Patrol and Water Patrol	—	7,381	579	18,041
Workers' Compensation and				
Unemployment Compensation	—	83,259	—	—
Veterans' Homes	—	29,310	—	—
Other	—	26,925	11,037	19,605
Total	<u>\$ 6,945</u>	<u>\$ 304,676</u>	<u>\$ 528,856</u>	<u>\$ 267,282</u>
Non-Major Debt Service Funds				
General Obligation Bonds	\$ —	\$ 17,681	\$ —	\$ —
Fulton State Hospital	—	12,422	—	—
Missouri Road Bond	—	98,472	—	—
Total	<u>\$ —</u>	<u>\$ 128,575</u>	<u>\$ —</u>	<u>\$ —</u>
Non-Major Capital Projects Funds				
Board of Public Buildings-Education	\$ —	\$ 39	\$ —	\$ —
Board of Public Buildings-State Capitol	—	18,693	—	—
Board of Public Buildings-State Facility	—	733	—	—
Fulton State Hospital	—	4,729	—	—
State Historical Society	—	—	—	—
Total	<u>\$ —</u>	<u>\$ 24,194</u>	<u>\$ —</u>	<u>\$ —</u>
Non-Major Permanent Funds				
Arrow Rock State Historic Site Endowment	\$ 30	\$ —	\$ —	\$ —
Confederate Memorial Park	75	—	—	113
State Public School	64,454	—	—	—
Smith Memorial Endowment Trust	365	—	—	11
Total	<u>\$ 64,924</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 124</u>

A. Budget Reserve Fund

The Budget Reserve Fund is established in Article IV, Section 27(a) of the Missouri Constitution. The Commissioner of Administration may transfer amounts from the Budget Reserve Fund to any other fund when necessary to meet the cash requirements of the State. However, the Budget Reserve Fund must be paid back with interest prior to May 16th of the fiscal year in which the transfer was made.

Budget stabilization expenditures may occur in a fiscal year in which the Governor reduces the expenditures of the State or any of its agencies below their appropriation or in which there is a budget need due to a natural disaster as proclaimed by the Governor to be an emergency. An appropriation from the Budget Reserve Fund may be granted by a two-thirds vote of the members elected to each House. The maximum amount which may be appropriated at any one time for budget stabilization purposes is one-half the sum of the balance of the Budget Reserve Fund and any amounts appropriated or otherwise owed to the fund, less all amounts owed to the fund for budget stabilization purposes but not yet appropriated for repayment to the fund. One-third of the amount expended or transferred from the Budget Reserve Fund for budget stabilization purposes plus interest shall stand appropriated to the Budget Reserve Fund during each of the next three fiscal years from the fund which received the budget stabilization appropriation. The balance of the Budget Reserve Fund at June 30, 2021, was \$603,023,000.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 5 - Capital Assets

Capital asset activity for the year ended June 30, 2021, was as follows (in thousands of dollars):

	*Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
Governmental Activities:				
Capital Assets not being Depreciated/Amortized:				
Construction in Progress	\$ 230,414	\$ 137,138	\$ (97,754)	\$ 269,798
Software in Progress	96,038	23,747	(9,693)	110,092
Infrastructure in Progress	1,882,418	941,644	(883,617)	1,940,445
Land	3,089,340	3,698	(5,672)	3,087,366
Permanent Easements	6,332	3,701	—	10,033
Total Capital Assets not being Depreciated/Amortized	5,304,542	1,109,928	(996,736)	5,417,734
Capital Assets being Depreciated/Amortized:				
Land Improvements	229,936	13,919	—	243,855
Temporary Easements	1,548	1,771	(286)	3,033
Buildings and Improvements	3,694,952	48,100	(1,284)	3,741,768
Equipment	1,417,605	94,606	(61,348)	1,450,863
Software	307,507	3,039	(6,902)	303,644
Trademarks	17	—	—	17
Infrastructure	52,044,786	883,618	(84,227)	52,844,177
Total Capital Assets being Depreciated/Amortized	57,696,351	1,045,053	(154,047)	58,587,357
Less Accumulated Depreciation/Amortization for:				
Land Improvements	(137,175)	(5,624)	—	(142,799)
Temporary Easements	(274)	(502)	286	(490)
Buildings and Improvements	(2,093,025)	(94,779)	951	(2,186,853)
Equipment	(1,035,846)	(86,611)	56,741	(1,065,716)
Software	(220,893)	(21,195)	6,273	(235,815)
Trademarks	(17)	—	—	(17)
Infrastructure	(25,848,012)	(548,028)	82,000	(26,314,040)
Total Accumulated Depreciation/Amortization	(29,335,242)	(756,739)	146,251	(29,945,730)
Total Capital Assets being Depreciated/Amortized, Net	28,361,109	288,314	(7,796)	28,641,627
Governmental Activities Capital Assets, Net	\$ 33,665,651	\$ 1,398,242	\$ (1,004,532)	\$ 34,059,361
Business-Type Activities:				
Capital Assets not being Depreciated/Amortized:				
Construction in Progress	\$ 1,733	\$ 989	\$ (593)	\$ 2,129
Software in Progress	30	—	(30)	—
Land	32,649	19	—	32,668
Total Capital Assets not being Depreciated/Amortized	34,412	1,008	(623)	34,797
Capital Assets being Depreciated/Amortized:				
Land Improvements	50,719	1,003	—	51,722
Temporary Easements	50	—	—	50
Buildings and Improvements	59,501	1,399	(1,222)	59,678
Equipment	56,773	3,001	(3,800)	55,974
Software	833	30	(92)	771
Total Capital Assets being Depreciated/Amortized	167,876	5,433	(5,114)	168,195
Less Accumulated Depreciation/Amortization for:				
Land Improvements	(16,099)	(2,409)	—	(18,508)
Temporary Easements	(30)	(2)	—	(32)
Buildings and Improvements	(27,311)	(1,337)	1,141	(27,507)
Equipment	(40,323)	(4,054)	3,619	(40,758)
Software	(703)	(58)	92	(669)
Total Accumulated Depreciation/Amortization	(84,466)	(7,860)	4,852	(87,474)
Total Capital Assets being Depreciated/Amortized, Net	83,410	(2,427)	(262)	80,721
Business-Type Activities Capital Assets, Net	\$ 117,822	\$ (1,419)	\$ (885)	\$ 115,518

*Beginning balances as of July 1, 2020 have been restated (see Note 17).

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 5 - Capital Assets (cont.)

Depreciation/amortization expense of governmental activities was charged to functions as follows (in thousands of dollars):

General Government	\$ 42,730
Education	1,719
Natural and Economic Resources	21,906
Transportation and Law Enforcement	632,154
Human Services	58,230
Total	<u>\$ 756,739</u>

Discretely Presented Component Units

The following table summarizes net capital assets reported by the discretely presented component units (in thousands of dollars):

	College and Universities	Non-Major Component Units	Total
Capital Assets not being Depreciated/Amortized:			
Construction in Progress	\$ 366,428	\$ 54	\$ 366,482
Land	188,186	7,220	195,406
Other Non-Depreciable/Amortizable Assets	23,962	—	23,962
Total Capital Assets not being Depreciated/Amortized	<u>578,576</u>	<u>7,274</u>	<u>585,850</u>
Capital Assets being Depreciated/Amortized:			
Land Improvements	41,512	—	41,512
Buildings and Improvements	7,829,363	80,108	7,909,471
Equipment, Fixtures, and Books	1,700,208	1,454	1,701,662
Software	99,411	26	99,437
Infrastructure	765,541	—	765,541
Total Capital Assets being Depreciated/Amortized	<u>10,436,035</u>	<u>81,588</u>	<u>10,517,623</u>
Less Total Accumulated Depreciation/Amortization	<u>(5,359,045)</u>	<u>(28,156)</u>	<u>(5,387,201)</u>
Total Capital Assets being Depreciated/Amortized, Net	<u>5,076,990</u>	<u>53,432</u>	<u>5,130,422</u>
Discretely Presented Component Units – Capital Assets, Net	<u>\$ 5,655,566</u>	<u>\$ 60,706</u>	<u>\$ 5,716,272</u>

Capital Asset Impairments

Multiple software in development projects were stopped in fiscal year 2021 due to cancellation, which resulted in an impairment loss of \$114,000. This loss is reported as a program expense in the government-wide financial statements.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 6 - Leases

Capital

The State has entered into various agreements to lease land, buildings, and equipment. GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, requires a lease that transfers substantially all of the benefits and risks of ownership to the lessee to be accounted for as the acquisition of a capital asset and the incurrence of an obligation by the lessee (a capital lease liability).

Capital leases for the internal service funds and college and universities are reported as a long-term obligation in those funds along with the related assets. Capital leases and the related assets are not reported on the fund financial statements of governmental type funds. However, the capital leases and related assets of governmental funds are included on the government-wide financial statements and they are shown on the reconciliation between fund financial statements and government-wide statements.

Following is a summary of the future minimum lease payments for capital leases (in thousands of dollars):

Fiscal Year Ending June 30	Governmental Funds	Internal Service Funds	College and Universities
2022	\$ 2,315	\$ 318	\$ 12,701
2023	1,903	318	12,804
2024	1,903	318	12,898
2025	1,249	121	12,814
2026	1,249	121	9,831
2027-2031	5,497	483	21,778
2032-2036	2,502	—	50
2037-2041	2,502	—	30
2042-2046	2,502	—	30
2047-2051	2,502	—	23
2052-2056	2,502	—	—
2057-2061	2,502	—	—
2062-2066	2,502	—	—
2067-2071	2,501	—	—
2072-2076	2,501	—	—
2077-2081	2,501	—	—
2082-2086	2,501	—	—
2087-2091	2,501	—	—
2092-2096	2,501	—	—
2097-2101	2,501	—	—
2102-2103	1,001	—	—
Total Minimum Lease Payments	50,138	1,679	82,959
Less Amount Representing Interest	(33,956)	(140)	(3,980)
Present Value of Net Minimum Lease Payments	\$ 16,182	\$ 1,539	\$ 78,979

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 6 - Leases (cont.)

The State has entered into a lease with the Missouri Development Finance Board. The State's obligation under this lease does not constitute a general obligation or other indebtedness of the State. Payments under the lease agreement have been structured in amounts sufficient to pay principal and interest on the Leasehold Revenue Bonds issued by the Board. In November 2005, the Board issued \$28,995,000 of Leasehold Revenue Bonds Series 2005 for the purpose of purchasing buildings in Florissant, St. Louis, and Jennings. In May 2006, the Board issued \$9,865,000 of Leasehold Revenue Bonds Series 2006 for the purpose of purchasing one building in St. Louis. In June 2013, the Board issued \$21,820,000 of Leasehold Revenue Refunding Bonds Series A 2013 and \$7,450,000 of Leasehold Revenue Refunding Bonds Series B 2013 for the purpose of refunding \$20,805,000 of Leasehold Revenue Bonds Series 2005 and \$7,100,000 of Leasehold Revenue Bonds Series 2006, respectively. The payments on these leases are subject to annual appropriation by the State legislature.

Following is a summary of the future minimum lease payments to pay interest and principal of the Leasehold Revenue Bonds (in thousands of dollars):

Fiscal Year Ending June 30	Internal Service Funds
2022	\$ 2,413
2023	2,409
2024	2,407
2025	2,409
2026	2,408
2027-2031	12,030
Total Minimum Lease Payments	24,076
Less Amount Representing Interest	(3,306)
Present Value of Net Minimum Lease Payments	<u>\$ 20,770</u>

Assets acquired through these capital lease agreements are recorded as capital assets at the lower of the present value of the minimum lease payments or the fair value at the time of acquisition. The following is the value of the property under capital lease by asset category as of June 30, 2021 (in thousands of dollars):

	Governmental Funds	Internal Service Funds	College and Universities
Land	\$ —	\$ —	\$ 518
Buildings	29,868	39,131	34,025
Equipment	26	—	14,161
	<u>\$ 29,894</u>	<u>\$ 39,131</u>	<u>\$ 48,704</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 6 - Leases (cont.)

Operating

The State has entered into various operating leases for land, buildings, and equipment. Most of these leases are classified as operating because the lease period is one year with multiple renewal options. The Department of Natural Resources (DNR) has a yearly obligation of \$10,000 in fiscal year 2021 for leased property for the Katy Trail easement which is paid out of governmental funds. The obligation will continue in perpetuity. The contract conditions and amount for the easement can change with the sale of the property requiring the easement. If the property requiring the easement is sold, a new contract would be negotiated with the new property owners. Future minimum commitments due under operating leases as of June 30, 2021, were as follows (in thousands of dollars):

Fiscal Year Ending June 30	Governmental Funds	Enterprise Funds	Component Units
2022	\$ 20,901	\$ 455	\$ 20,062
2023	2,331	455	17,966
2024	2,200	455	11,872
2025	2,115	299	6,341
2026	2,134	153	3,234
2027-2031	3,417	126	9,735
2032-2036	4	—	7,979
2037-2041	3	—	—
2042-2046	3	—	—
2047-2051	3	—	—
2052-2056	3	—	—
2057-2061	3	—	—
2062-2066	3	—	—
Total Minimum Commitments	<u>\$ 33,120</u>	<u>\$ 1,943</u>	<u>\$ 77,189</u>

Expenditures for rent under operating leases for the years ended June 30, 2021 and June 30, 2020, were \$29,343,000 and \$28,093,000, respectively.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 6 - Leases (cont.)

Rental Revenue

The State leases certain state owned facilities to entities outside the State. These lessor arrangements are generally long-term commitments which either generate revenue from otherwise idle property or better serve Missouri's citizens by providing convenient access to products and services. The total asset value of the leased facilities and land is \$116.4 million less accumulated depreciation of \$39.2 million for component units. The Department of Natural Resources (DNR) has \$99,000 in income from easements on DNR property. This income will be received in perpetuity. The contract conditions and amount for each individual easement can change with the sale of the property requiring the easement. If the property requiring the easement is sold, new contracts will be negotiated with the new property owners. Future minimum receivables, payable from lessor arrangements as of June 30, 2021, were as follows (in thousands of dollars):

<u>Fiscal Year Ending June 30</u>	<u>Component Units</u>
2022	\$ 5,631
2023	5,008
2024	4,826
2025	4,578
2026	3,828
2027-2031	18,116
2032-2036	17,721
2037-2041	17,459
2042-2046	8,244
2047-2051	3,881
2052-2056	2,125
2057-2061	2,125
2062-2066	1,287
2067-2071	497
Total Minimum Receivables	<u>\$ 95,326</u>

Note 7 - Retirement Systems

The State has two major retirement systems which cover substantially all State employees. These systems are the Missouri State Employees' Retirement System (MOSERS) and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS). MOSERS is comprised of the Missouri State Employees' Plan (MSEP), a cost-sharing multiple-employer, defined benefit public employee retirement plan and the Judicial Plan, a single-employer defined benefit public employee retirement plan. MPERS is a single-employer defined benefit public employees' retirement plan.

Plan Descriptions

The Missouri State Employees' Plan (MSEP) is a cost-sharing multiple-employer, defined benefit public employee retirement plan administered by MOSERS. The Plan is administered in accordance with Sections 104.010 and 104.312-104.1215, RSMo.

The MSEP has three benefit structures known as MSEP (closed plan), MSEP 2000, and MSEP 2011. The MSEP covers all full-time employees hired before July 1, 2000, who are not covered under another state-sponsored retirement plan. MSEP 2000 covers all full-time employees hired on or after July 1, 2000 and before January 1, 2011. MSEP 2011 covers all full-time employees first hired on or after January 1, 2011. Members of the closed plan have the option at retirement to choose between the benefit structure of the MSEP or MSEP 2000.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 7 - Retirement Systems (cont.)

The Judicial Plan is a single-employer, defined benefit public employee retirement plan administered by MOSERS. The Plan is administered in accordance with Sections 476.445 - 476.690, RSMo. The Judicial Plan covers eligible members appointed/elected before January 1, 2011. The Judicial Plan 2011 covers eligible members appointed/elected for the first time on or after January 1, 2011.

MOSERS provides retirement, survivor, and disability benefits to its members. General employees are fully vested after 5 years of creditable service if covered by the MSEP, MSEP 2000, and MSEP 2011 plans. Elected officials are fully vested after 4 years of creditable service and Members of the General Assembly are fully vested after 6 years of creditable service. The base retirement benefits are calculated by multiplying the employee's final average pay by a specific factor multiplied by the years of credited service. The retirement eligibility requirements are as follows for general employees:

MSEP

Age 65 and active with 4 years of service
Age 65 with 5 years of service
Age 60 with 15 years of service
Age 48 with age and service equaling 80 or more (Rule of 80)
Employees may retire early at age 55 with at least 10 years of service with reduced benefits.
The base benefit in the general employee plan is equal to 1.6% multiplied by the final average pay multiplied by years of credited service.

MSEP 2000

Age 62 with 5 years of service
Age 48 with age and service equaling 80 or more (Rule of 80)
Employees may retire early at age 57 with at least 5 years of service with reduced benefits.
The base benefit in the general employee plan is equal to 1.7% multiplied by the final average pay multiplied by years of credited service.

MSEP 2011

Age 67 with 5 years of service
Age 55 with age and service equaling 90 or more (Rule of 90)
Employees may retire early at age 62 with at least 5 years of service with reduced benefits.
The base benefit in the general employee plan is equal to 1.7% multiplied by the final average pay multiplied by years of credited service.

Judicial Plan

Age 62 with 12 years of service
Age 60 with 15 years of service
Age 55 with 20 years of service
Employees may retire early at age 62 with less than 12 years of service or age 60 with less than 15 years of service with a reduced benefit that is based upon years of service relative to 12 or 15 years.
The base benefit for members with 12 or more years of service is equivalent to 50% of compensation on the highest court served.

Judicial Plan 2011

Age 67 with 12 years of service
Age 62 with 20 years of service
Employees may retire early at age 67 with less than 12 years of service with reduced benefits or age 62 with less than 20 years of service with a reduced benefit based on years of service.
The base benefit for members with 12 or more years of service is equivalent to 50% of compensation on the highest court served.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 7 - Retirement Systems (cont.)

For members hired prior to August 28, 1997, cost of living adjustments (COLAs) are provided annually based on 80% of the percentage increase in the average Consumer Price Index (CPI) from one year to the next, with a minimum rate of 4% and a maximum rate of 5%, until the cumulative amount of COLAs equals 65% of the original benefit, thereafter the 4% minimum rate is eliminated. For members hired on or after August 28, 1997, and members who have met their COLA cap receive COLAs annually based on 80% of the percentage increase in the average CPI from one year to the next, up to a maximum rate of 5%. Qualified, terminated-vested members of MSEP and the Judicial Plan may make a one-time election to receive the present value of their future benefit in a lump sum payment. To qualify, a member must have left state employment on or after October 1, 1984 and prior to September 1, 2002, have less than 10 years of service, not be within 5 years of retirement eligibility, meet age requirements, and have a benefit present value of less than \$10,000.

The Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS) is a single-employer, defined benefit public employee retirement plan administered in accordance with Sections 104.010-104.1093, RSMo.

MPERS is considered a single-employer plan because its membership is composed of qualified employees of the Missouri Department of Transportation, uniformed and non-uniformed members of the Missouri State Highway Patrol, and MPERS staff.

MPERS provides retirement, survivor, and disability benefits to its members. The MPERS has three benefit structures known as the Closed Plan, the Year 2000 Plan, and the Year 2000 Plan-2011 Tier. Generally, the Closed Plan covers employees hired before July 1, 2000. The Year 2000 Plan generally covers employees hired on or after July 1, 2000 and before January 1, 2011. The Year 2000 Plan-2011 Tier covers employees hired on or after January 1, 2011. Employees covered by the Closed Plan and the Year 2000 Plan are fully vested after 5 years of creditable service. Employees covered by the 2011 Tier are fully vested after 5 years of creditable service if they were active on or after January 1, 2018.

The retirement eligibility requirements are as follows:

Closed Plan

MoDOT and non-uniformed patrol members:

Age 65 and active with 4 or more years
of service
Age 65 with 5 or more years of service
Age 60 with 15 or more years of service
Age 48 with sum of age and service
equaling 80 or more (Rule of 80)

Uniformed patrol members:

Age 55 and active with 4 or more years
of service
Age 55 with 5 or more years of service
Age 48 with sum of age and service
equaling 80 or more (Rule of 80)
Mandatory retirement at age 60

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 7 - Retirement Systems (cont.)

All non-uniformed members may retire early, with reduced benefits, at age 55 with at least 10 years of service.

The base benefit in the Closed Plan is equal to 1.6% multiplied by the final average pay multiplied by years of creditable service for non-uniformed members. For members of the uniformed patrol, the base benefit is equal to 2.1333% multiplied by the final average pay multiplied by years of creditable service.

For members employed prior to August 28, 1997, cost of living adjustments (COLAs) are provided annually based on 80% of the increase in the Consumer Price Index for all urban consumers for the United States (CPI-U). The minimum rate is 4% and the maximum rate is 5%, until the cumulative amount of COLAs equals 65% of the original benefit. Thereafter, the 4% minimum rate is eliminated and the annual COLA rate will be equal to 80% of the increase in the CPI-U (annual maximum of 5%). For members employed on or after August 28, 1997, COLAs are provided annually based on 80% of the increase in the CPI-U, up to a maximum rate of 5%.

Year 2000 Plan

MoDOT and non-uniformed patrol members:

Age 62 with 5 or more years of service

Age 48 with sum of age and service
equaling 80 or more (Rule of 80)

Uniformed patrol members:

Age 48 with sum of age and service
equaling 80 or more (Rule of 80)

Mandatory retirement at age 60 with
5 or more years of service

All members may retire early with reduced benefits at age 57 with at least 5 years of service.

The base benefit in the Year 2000 Plan is equal to 1.7% multiplied by the final average pay multiplied by years of creditable service. Members retiring under the Rule of 80, and uniform patrol members retiring at the mandatory retirement age (currently 60), receive an additional temporary benefit until age 62. The temporary benefit is equivalent to 0.8% multiplied by final average pay multiplied by years of creditable service. COLAs are provided annually based on 80% of the change in the CPI-U, up to a maximum rate of 5%.

Year 2000 Plan-2011 Tier

MoDOT and non-uniformed patrol members:

Age 67 with 5 or more years of service

Age 55 and active with sum of age and service
equaling 90 or more (Rule of 90)

Uniformed patrol members:

Age 55 and active with 5 or more years
of service

Mandatory retirement at age 60 with no
minimum service amount, active only.

Active MoDOT and non-uniformed patrol members may retire early with reduced benefits at age 62 with at least 5 years of service. Terminated and vested uniformed patrol members may retire at age 67 with 5 or more years of service.

The base benefit in the 2011 Tier is equal to 1.7% multiplied by the final average pay multiplied by years of creditable service. Members retiring under the Rule of 90, and uniform patrol members retiring at the mandatory retirement age (currently 60) or at age 55 with 5 years of creditable service, receive an additional temporary benefit until age 62. The temporary benefit is equivalent to 0.8% multiplied by final average pay multiplied by years of creditable service. COLAs are provided annually based on 80% of the change in the CPI-U, up to a maximum rate of 5%.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 7 - Retirement Systems (cont.)

Single-Employer Plans:

Employees Covered by Benefit Terms – Single-Employers Only

As of June 30, 2020 valuation, membership consisted of the following:

	<u>Judicial Plan</u>	<u>MPERS</u>
Retirees, beneficiaries, and the disabled currently receiving benefits	590	9,182
Terminated employees entitled to, but not yet receiving benefits	35	2,094
Active		
Vested	418	5,130
Nonvested	—	2,225
Total Membership	<u>1,043</u>	<u>18,631</u>

Contributions

Per Chapter 104.436, RSMo, contribution requirements of the active employees and the participating employers are established and may be amended by the MOSERS Board. Employees in the MSEP 2011 Plan are required to contribute 4.00% of their annual pay. The State's required contribution rates for the MSEP and the Judicial Plan for the year ended June 30, 2020, were 21.77% and 63.80% of annual payroll, respectively. The contribution rates as a percentage of covered payroll for the MSEP and the Judicial Plan for the year ended June 30, 2020, were 21.77% and 63.80%, respectively. Contributions to the pension plan from the MSEP Plan and the Judicial Plan were \$362,950,000 and \$39,123,000 respectively, for the year ended June 30, 2020.

Per Chapter 104.070, RSMo, contribution requirements of the active employees and the participating employers are established and may be amended by the MPERS Board of Trustees. Beginning January 1, 2011, employee contributions of 4.00% of gross pay are required for those covered by the Year 2000 Plan-2011 Tier. Employer contributions are determined through annual actuarial valuations. Administrative expenses are financed through contributions from participating employers and investment earnings. The state's required contribution rate, as adopted by the MPERS Board of Trustees, for the year ended June 30, 2020, was to be at least 58.00%. The contribution rate as a percentage of covered payroll for the MPERS plan year ended June 30, 2020, was 58.00%. Contributions to the pension plan from the MPERS plan were \$210,872,000.

For the portion of the MSEP Plan relating to the State's component units, the required contribution rate for the year ended June 30, 2020, was 21.77%. The contribution rates as a percentage of covered payroll for the year ended June 30, 2020, was 21.77%. Contributions to the pension plan were \$70,661,000 for the year ended June 30, 2020.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 7 - Retirement Systems (cont.)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

Cost-Sharing Multiple Employer Plan:

At June 30, 2021, a liability was reported for the State's proportionate share of the net pension liability for the MSEP and the MSEP-CU plans based on an actuarial valuation as of June 30, 2020. The State's proportionate share of the net pension liability was based on the State's actual share of contributions to the pension plan relative to the actual contributions of all participating employers for plan year ended June 30, 2020.

The State reported the following proportionate share of the net pension liability and the pension expense for the fiscal year ended June 30, 2021 (in thousands of dollars):

	<u>MSEP</u>	<u>MSEP-CU</u>
Pension Expense	\$ 804,572	\$ 138,021
Proportionate share:		
2021	83.44 %	16.24 %
Net Pension Liability	\$5,296,316	\$1,031,118

Single-Employer Plans:

The State's net pension liability and related information for the Judicial and MPERS plans for the fiscal year ended June 30, 2021 (in thousands of dollars):

	<u>Judicial Plan</u> Increase (Decrease)			<u>MPERS</u> Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a) – (b)	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (a) – (b)
Balances at June 30, 2020	\$ 617,484	\$ 158,334	\$ 459,150	\$4,037,370	\$ 2,423,262	\$ 1,614,108
Changes for the year:						
Service Cost	13,120	—	13,120	44,048	—	44,048
Interest	42,459	—	42,459	274,791	—	274,791
Differences Between expected and actual experience	(14,934)	—	(14,934)	3,495	—	3,495
Changes of Assumptions	6,341	—	6,341	—	—	—
Contributions – Employer	—	39,174	(39,174)	—	210,872	(210,872)
Contributions – Employee	—	1,314	(1,314)	—	6,547	(6,547)
Net Income Investment	—	8,163	(8,163)	—	(10,668)	10,668
Benefit payments, including refunds of employee contributions	(39,622)	(39,622)	—	(263,507)	(263,507)	—
Disability Premiums	—	—	—	(1,641)	(1,641)	—
Administrative Expense	—	(74)	74	—	(4,291)	4,291
Net Transfers to Other Retirement Systems	—	—	—	(2,458)	1,026	(3,484)
Net Changes	7,364	8,955	(1,591)	54,728	(61,662)	116,390
Balances at June 30, 2021	<u>\$ 624,848</u>	<u>\$ 167,289</u>	<u>\$ 457,559</u>	<u>\$4,092,098</u>	<u>\$ 2,361,600</u>	<u>\$ 1,730,498</u>

For the year ended June 30, 2021, the Judicial Plan and MPERS recognized pension expense of \$49,440,000 and \$202,099,000, respectively.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 7 - Retirement Systems (cont.)

At June 30, 2021, deferred outflows of resources and deferred inflows of resources related to pensions were reported from the following sources (in thousands of dollars):

	Deferred Outflows of Resources				Deferred Inflows of Resources			
	MSEP	Judicial	MPERS	MSEP-CU	MSEP	Judicial	MPERS	MSEP-CU
Difference between expected and actual experience	\$ 2,398	\$ 485	\$ 2,765	\$ 467	\$55,011	\$11,656	\$14,740	\$ 10,710
Changes of assumptions	139,987	10,164	44,736	27,253	—	—	—	—
Net difference between projected and actual earnings on pension plan investments	281,184	6,366	120,348	54,743	—	—	—	—
Changes in proportion and differences between plan contributions and proportionate share of contributions	17,909	—	—	6,074	231	—	—	23,072
Contributions subsequent to the measurement date	388,097	39,990	208,213	70,123	—	—	—	—
Total	<u>\$ 829,575</u>	<u>\$57,005</u>	<u>\$376,062</u>	<u>\$158,660</u>	<u>\$55,242</u>	<u>\$11,656</u>	<u>\$14,740</u>	<u>\$ 33,782</u>

Amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period of the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands of dollars):

Fiscal Year Ended June 30	Net Deferred Outflows/Inflows of Resources			
	MSEP	Judicial	MPERS	MSEP-CU
2022	\$ 201,375	\$ 4,601	\$ 39,020	\$ 24,175
2023	91,887	942	40,471	12,754
2024	68,375	(459)	37,768	13,037
2025	24,599	275	35,850	4,789
Totals	<u>\$ 386,236</u>	<u>\$ 5,359</u>	<u>\$ 153,109</u>	<u>\$ 54,755</u>

Actuarial Assumptions

The total pension liability at June 30, 2021, is based upon the June 30, 2020, actuarial valuation for MOSERS and MPERS using the entry age normal actuarial cost method. Significant actuarial assumptions used in the June 30, 2020, actuarial valuations are the following:

	MSEP and MSEP-CU	Judicial	MPERS
Price Inflation	2.25 %	2.25 %	2.25 %
Salary Increases	2.75-8.25%	2.50-4.70%	3.00-12.45%
Investment Rate of Return	6.95 %	6.95 %	7.00 %

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 7 - Retirement Systems (cont.)

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2015, for MOSERS. In addition, the investment return assumption was reduced from 7.10% to 6.95% for the June 30, 2020 valuation. Other assumption changes were decreases in the payroll and wage growth assumptions. MOSERS mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table, projected to 2026 with scale MP-2015 and scaled by 120% for the MSEP and 98% for the Judicial Plan. The pre-retirement mortality table used was the RP-2014 Employee Mortality Table, projected to 2026 with scale MP-2015 and scaled by 95% for males and 90% for females.

Amounts reported in the June 30, 2020, actuarial report are assumptions reflecting adjustments to expected rates of withdrawal, disability, normal and early retirement, mortality, and merit and seniority pay for MPERS. The actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2012, through June 30, 2017. Mortality rates, for post-retirement mortality, used in evaluating allowances to be paid to non-disabled pensioners were the RP-2014 Healthy Mortality Tables projected to 2022 using projection scale MP-2017. Pre-retirement mortality used were the RP-2014 Employee Mortality Table projected to 2022 using projection scale MP-2017 and multiplied by a factor of 65%. Disabled pension mortality was based on RP-2014 Disabled Retiree Annuitant Mortality Tables projected to 2022 using projection scale MP-2017.

The long-term (30 year) expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for the MSEP and Judicial Plan and arithmetic real rates of return for MPERS for each major asset class included in the target allocation are summarized in the table below:

Target Asset Allocation - New Portfolio

Asset Class	MSEP and MSEP-CU		Judicial		MPERS	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	30.0%	5.8%	30.0%	5.8%	40.0%	3.9%
Private Equity	15.0%	7.4%	15.0%	7.4%	10.0%	7.2%
Fixed Income					22.5%	0.3%
Real Assets					10.0%	5.3%
Real Estate					10.0%	2.4%
Hedge Funds	5.0%	2.9%	5.0%	2.9%		
Opportunistic Debt					7.5%	4.5%
Long Treasuries	25.0%	1.6%	25.0%	1.6%		
Core Bonds	10.0%	1.2%	10.0%	1.2%		
Commodities	5.0%	3.6%	5.0%	3.6%		
TIPS	25.0%	0.8%	25.0%	0.8%		
Private Real Assets	5.0%	5.2%	5.0%	5.2%		
Public Real Assets	5.0%	5.8%	5.0%	5.8%		
Alternative Beta	10.0%	3.4%	10.0%	3.4%		
Private Credit	5.0%	7.6%	5.0%	7.6%		
Cash and Cash Equivalents**	(40.0)%	0.0%	(40.0)%	0.0%		
	<u>100.0%</u>		<u>100.0%</u>		<u>100.0%</u>	

**Cash and cash equivalents policy allocation amounts are negative due to use of leverage.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 7 - Retirement Systems (cont.)

Target Asset Allocation - Old Portfolio

Asset Class	MSEP and MSEP-CU		Judicial	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	38.0%	5.8%	38.0%	5.8%
Nominal Bonds	44.0%	0.8%	44.0%	0.8%
Commodities	20.0%	5.3%	20.0%	5.3%
Inflation-linked Bonds	39.0%	(0.1)%	39.0%	(0.1)%
Alternative Beta	31.0%	4.1%	31.0%	4.1%
Cash and cash equivalents**	(72.0)%	(1.5)%	(72.0)%	(1.5)%
	<u>100.0%</u>		<u>100.0%</u>	

**Cash and cash equivalents policy allocation amounts are negative due to use of leverage.

Discount Rate

A single discount rate based on the expected rate of return on pension investments of 6.95%, 6.95%, and 7.00% was used to measure the total pension liability for MSEP, Judicial Plan, and MPERS, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and the employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate for MPERS. The projection of cash flows used to determine the discount rate assumed that contributions will be made using actuarial determined rates from employers for MOSERS. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate, as well as, what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
MSEP Net Pension Liability	5.95% \$6,631,745	6.95% \$5,296,316	7.95% \$4,173,115
Judicial Plan Net Pension Liability	5.95% \$520,118	6.95% \$457,559	7.95% \$403,982
MPERS Net Pension Liability	6.00% \$2,206,173	7.00% \$1,730,498	8.00% \$1,333,007
MSEP-CU Net Pension Liability	5.95% \$1,291,107	6.95% \$1,031,118	7.95% \$812,447

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 7 - Retirement Systems (cont.)

Payables to the Pension Plan

As of June 30, 2021, the State had payables of \$17,136,000 to MOSERS for the outstanding amount of contributions to the pension plan, relating to a two week lag in payroll.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separate financial reports issued by MOSERS and MPERS:

Missouri State Employees' Retirement System
P.O. Box 209
Jefferson City, Missouri 65102-0209
www.mosers.org

Missouri Department of Transportation and
Highway Patrol Employees' Retirement System
P.O. Box 1930
Jefferson City, Missouri 65102-1930
www.mpers.org

University of Missouri Retirement System

Plan Description

The University of Missouri Retirement, Disability, and Death Benefit Plan is a single-employer defined benefit plan for all qualified employees. As authorized by Section 172.300, RSMo, the University's Board of Curators administers the Retirement Plan and establishes its terms.

Full-time employees vest in the Retirement Plan after five years of credited service and become eligible for benefits based on age and years of service. A vested employee who retires at age 65 or older is eligible for a lifetime annuity calculated at a certain rate times the credited service years times the compensation base (average consumption for the five highest consecutive salary years). The rate is 2.2% if the employee was hired before October 1, 2012, or 1.0% if the employee was hired after September 30, 2012. Academic members who provide summer teaching and research service receive additional summer service credit. The Board of Curators may periodically approve increases to the benefits paid to existing pensioners. However, vested members who leave the University prior to eligibility for retirement are not eligible for these pension increases. Vested employees who are at least age 55 and have ten years or more of credited service, or age 60 with at least five years of credited service may choose early retirement with a reduced benefit. However, if the employee retires at age 62 and has at least 25 years of credited service, the benefit is not reduced. Up to 30% of the retirement annuity can be taken in a lump sum payment. In addition, the standard annuity can be exchanged for an actuarially-equivalent annuity selected from an array of options with joint and survivor, period certain, and guaranteed annual increase features.

As of June 30, 2021, membership consisted of the following:

Vested members	15,883
Inactive vested members	5,417
Pensioners and beneficiaries	11,015
Total Membership	<u>32,315</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 7 - Retirement Systems (cont.)

In April 2019, the University's Board of Curators approved a new retirement plan for newly hired or rehired employees starting October 1, 2019. Employees starting on or after that date, will be enrolled in a defined contribution plan and the defined benefit plan of the University will be closed to new entrants. Rehires on or after October 1, 2019, will also be enrolled into the new defined contribution plan regardless of their vested status in the defined benefit plan. Vested defined benefit employees that are rehired on or after October 1, 2019, will no longer receive creditable service credit within the defined benefit plan.

Contributions

The University's contributions to the Retirement Plan are equal to the actuarially determined contribution requirement (ADC). The ADC for those employees hired before October 1, 2012, averaged 12% of covered payroll for the year ending June 30, 2021. The ADC for those employees hired after September 30, 2012, averaged 8.4% of covered payroll for the year ended June 30, 2021. Employees are required to contribute 1% of their salary up to \$50,000 in a calendar year and 2% of their salary in excess of \$50,000. An actuarial valuation of the Plan is performed annually and the University's contribution rate is updated on July 1, to reflect the actuarially determined funding requirement from the most recent valuation, as of the preceding October 1. This actuarial valuation reflects the adoption of any Retirement Plan amendments during the previous fiscal year. The University contributed \$115,006,000 during the fiscal year ended June 30, 2021.

Employees hired after September 30, 2012, participate in a single employer, defined contribution plan. Each year the University contributes 2% of each employee's eligible salary to a 401(a) plan. Employees are able to contribute to a 457(b) and 403(b) plan. The University will match up to 3% of the employee's contribution to the 457(b) plan with the University's match funds going into the 401(a) plan. Employees in the defined contribution plans are immediately 100% vested in their contributions. Employees hired or rehired beginning October 1, 2019, will participate in a single- employer, defined contribution plan. Employees will be automatically enrolled in the plan to contribute 8% of eligible salary into a 457(b) plan. Each year the University will match up to 8% of each employer's eligible salary to a 401(a) plan. The University's matching contributions vest following three years of consecutive or nonconsecutive service. The defined contribution plan recognized \$29,362,000 of pension expense net of \$5,725,000 of forfeitures for the year ended June 30, 2021.

Net Pension Liability

The Retirement Plan's net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2020. Roll-forward procedures were used to measure the Retirement Plan's net pension liability as of June 30, 2021. For the year ended June 30, 2021, fiduciary net position as a percentage of the total pension liability amounted to 93.54%.

Changes in net pension liability (in thousands of dollars):

	Total Pension Liability (TPL) (a)	Fiduciary Net Pension (FNP) (b)	Net Pension Liability (NPL) (a) - (b)
Balances at June 30, 2020	\$ 4,764,367	\$ 3,654,744	\$ 1,109,623
Changes for the year:			
Service Cost	65,786	—	65,786
Interest	336,697	—	336,697
Differences between expected and actual experience	(10,821)	—	(10,821)
Contributions – Employer	—	115,006	(115,006)
Contributions – Employee	—	14,981	(14,981)
Net Income Investment	—	1,056,355	(1,056,355)
Benefit payments, including refunds of employee contributions	(283,941)	(283,941)	—
Net Changes	107,721	902,401	(794,680)
Balances at June 30, 2021	\$ 4,872,088	\$ 4,557,145	\$ 314,943

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 7 - Retirement Systems (cont.)

Pension Expense

Annual pension expense consists of service cost and interest on the pension liability less employee contributions and projected earnings on pension plan investments. The difference between actual and expected earnings is recorded as a deferred outflow/inflow of resources and recognized in pension expense over a five year period.

For the year ended June 30, 2021, the Retirement Plan recognized pension expense of \$52,716,000. At June 30, 2021, deferred outflows of resources and deferred inflows of resources related to pensions were reported from the following sources (in thousands of dollars):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 56,467	\$ 13,800
Changes in assumptions	69,781	—
Net difference between projected and actual earnings on pension plan investments	—	478,724
Total	<u>\$ 126,248</u>	<u>\$ 492,524</u>

The University recognizes differences between actual and expected investment performance included in deferred outflows/inflows of resources on a straight-line basis over five years. Differences between expected and actual experience on actuarial assumptions are amortized over the average expected remaining service life of the University's employees. The following table summarizes the future recognition of these items:

Fiscal Year Ended June 30	Net Deferred Outflows/Inflows of Resources
	Recognition
2022	\$ (49,627)
2023	(58,541)
2024	(100,113)
2025	(157,848)
2026	(147)
Totals	<u>\$ (366,276)</u>

Actuarial Assumptions

The October 1, 2020, actuarial valuation utilized the entry age actuarial cost method. The discount rate used to measure the total pension liability was 7.20%. Actuarial assumptions included:

Inflation	2.20 %
Salary Increases	3.6 - 4.5%
Investment Rate of Return	7.20 %

For purposes of determining actuarially required contributions, the actuarial value of assets was determined using techniques that spread effects of short-term volatility in the market value of investments over a five-year period. The underfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis over 23 years from the October 1, 2020, valuation date. Mortality rates were based on the RP-2014 Combined Health Mortality Table projected using Scale MP-2017 and RP-2000 Combined Health Mortality Table projected to 2023 using Scale BB for the October 1, 2020, valuation date.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 7 - Retirement Systems (cont.)

The actuarial assumptions used in the October 1, 2020, valuation were based on the results of the most recent quinquennial study of the University's own experience covering 2012 to 2016.

The annual money-weighted rate of return is calculated as the internal rate of return on pension investments, net of pension plan investment expense. The money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return on pension plan investments for the year ended June 30, 2021, was 29.8%. The following table provides long-term expected rates of real return:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	35.0 %	4.3 %
Private equity	12.0 %	7.5 %
Sovereign bonds	10.0 %	(1.2)%
Inflation linked bonds	10.0 %	(0.6)%
Private debt	6.0 %	3.3 %
Risk balanced	12.0 %	4.1 %
Commodities	5.0 %	1.5 %
Real estate	10.0 %	6.3 %
	<u>100.0 %</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.20%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the University contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate, as well as, what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	6.20%	7.20%	8.20%
MU Net Pension Liability	\$922,607	\$314,943	\$(189,280)

Separate financial statements are not prepared for the Plan.

Detailed information concerning the Plan is presented in the University's 2021 financial report, which is publicly available. Copies of this report may be requested from:

University of Missouri System
118 University Hall
Columbia, Missouri 65211
www.umsystem.edu

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 8 - Other Postemployment Benefits

In addition to the retirement benefits described in Note 7, the State provides postemployment health care and life insurance benefits, in accordance with State statutes, to the majority of employees who either retire from the State or receive long-term disability benefits. These benefits are administered by the Missouri Consolidated Health Care Plan (MCHCP), the Missouri State Employees' Retirement System (MOSERS), the Missouri Department of Transportation and Highway Patrol Employees' Medical and Life Insurance Plan (MHPML), and the Conservation Employees' Insurance Plan (CEIP). MCHCP is a cost-sharing multiple-employer, defined benefit other postemployment benefits plan, MOSERS is an insured, defined benefit insurance plan, and MHPML and CEIP are single-employer defined benefit public employees' other postemployment benefits plans.

Plan Descriptions

Missouri Consolidated Health Care Plan (MCHCP) operates a cost-sharing multiple-employer, defined benefit Other Postemployment Benefits Plan (OPEB), the State Retiree Welfare Benefit Trust (SRWBT). Employees may participate at retirement, if eligible to receive a monthly retirement benefit from either the Missouri Employees' Retirement System (MOSERS) or another retirement system whose members grandfathered for coverage under the MCHCP by law. The terms and conditions governing postemployment benefits, are vested with the MCHCP Board of Trustees within the authority granted under sections 103.003 - 103.178, RSMo. MCHCP provides medical, dental, and vision benefits, and the Strive Employee Life & Family program for the exclusive benefit of current and future retired employees of the state and their dependents who meet eligibility requirements, except those retired members covered by other OPEB plans of the state. Covered categories include active employees, participants and spouses in payment status, participants with a deferred benefit, and disabled participants.

The Missouri Department of Transportation and Highway Patrol Employees' Medical and Life Insurance Plan (MHPML) is a single-employer, defined benefit OPEB plan administered in accordance with Section 104.270, RSMo. MHPML is not a separate legal entity and is self insured. The plan does not maintain assets in a trust and pays expenses on a pay-as-you-go basis. The plan assets are neither legally protected from creditors nor are they dedicated to providing OPEB benefits. The State has no legal obligation to pay the benefits. MHPML provides healthcare insurance benefits to employees who retired from the Department who participated in the Medical and Life Insurance Plan when they were an active employee and had a minimum of five years creditable service. Coverage categories include retirees, certain disabled employees, spouses, certain dependents and survivors of deceased employees and retirees. At July 1, 2019, the number of participants covered by the plan included 6,185 retirees or beneficiaries currently receiving benefits, 92 retirees entitled to but not yet receiving benefits, and 7,526 active employees.

The Conservation Employees' Benefits Plan (CEIP) is a single-employer defined benefit OPEB plan administered by the Conservation Employees' Benefits Plan Board of Trustees in accordance with Article IV, Section 42 of the Missouri Constitution. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The benefit plan for the Department of Conservation is not irrevocable.

CEIP provides for the continuation of medical insurance benefits for retirees and their dependents. Coverage categories include active employees, retirees and surviving spouses, and spouses of current retirees. At June 30, 2019, 1,300 active employees, 849 retirees and surviving spouses, and 408 spouses of current employees were participating in the plan.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 8 - Other Postemployment Benefits (cont.)

Contributions

Contributions are established and may be amended by the MCHCP Board of Trustees with the authority granted under sections 103.003 - 103.178, RSMo. Contributions to MCHCP by the State are not legally or contractually required. For the fiscal year end June 30, 2020, employers contributed 4.40% for the period July 1, 2019 through December 31, 2019; 4.65% for the period January 1, 2020 through April 1, 2020; 4.02% for the period April 1, 2020 through June 1, 2020; and 3.41% for the period June 1, 2020 through June 30, 2020, of covered payroll. Retiree contribution rates are established based on projected claims experience and funding provided by employer contributions. Contributions to the OPEB plan for MCHCP and MCHCP-CU was \$72,054,000 and \$32,000, respectively for the year ended June 30, 2021.

The contribution requirements for MHPML are recommended by the Medical and Life Insurance Plan's Board of Trustees and are approved by the Missouri Highways and Transportation Commission. The Commission contributes a percentage of medical premiums for retirees. For those who retired on or prior to January 1, 2015, an amount ranging from 40.0% to 57.0% of the premium is contributed, dependent on the level of coverage. Medical premiums, for employees who retire on or after January 1, 2015, are based on total years of service, with the Commission contributing 2.0% per year of service, not to exceed 50.0% of the total premium, with the retiree responsible for the remaining balance of the premiums. Benefit projections for financial reporting purposes are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and the historical pattern of cost sharing between employer and the plan members to that point. Contributions to the Plan for the year ended June 30, 2021, was \$23,661,000.

The contribution requirements for CEIP are established by a trust agreement between the Conservation Commission and the Conservation Employees' Benefits Plan Board of Trustees, which grants the authority to establish and amend benefit terms and financing requirements to the Board of Trustees. The Commission contribution toward retiree medical premium is based on tenure or years of service with the State. At the time of retirement, employees who have 25+ years of service receive a 35% contribution, 20-24 years of service receive a 30% contribution, 15-19 years of service receive a 25% contribution, vested status up to 14 years of service receive a 20% contribution, and employees who retired prior to January 1, 2013, continue to receive a 35% contribution towards their premium. Benefit projections for financial reporting purposes are based on an established policy of the retiree's paying the premium amount less any direct subsidy paid by the Commission based on years of service and date of retirement. Contributions to the Plan for the year ended June 30, 2021, was \$3,171,000.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

Cost-Sharing Multiple Employer Plan:

At June 30, 2021, a liability was reported for the State's proportionate share of the collective net OPEB liability for the MCHCP and the MCHCP-CU plans based on an actuarial valuation as of July 1, 2020. The State's proportionate share of the collective net OPEB liability was calculated by dividing the State's contribution to the SRWBT by the total contributions from all applicable employers during the measurement period. From the previous valuation, the discount rate changed from 5.24% to 4.38%.

The State reported the following proportionate share of the collective net OPEB liability and the OPEB expense for the fiscal year ended June 30, 2021, was as follows (in thousands of dollars):

	<u>MCHCP</u>	<u>MCHCP-CU</u>
OPEB Expense	\$ 120,672	\$ 41
Proportionate share:	99.61 %	0.04 %
Net OPEB Liability	\$1,774,156	\$ 784

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 8 - Other Postemployment Benefits (cont.)

Single-Employer Plans:

The State's total OPEB liability and related information for the MHPML and CEIP plans for the fiscal year ended June 30, 2021, were as follows (in thousands of dollars):

	MHPML	CEIP
	Total OPEB Liability	Total OPEB Liability
Balances at June 30, 2020	\$ 1,064,325	\$ 149,715
Changes for the year:		
Service Cost	29,743	4,029
Interest	37,990	3,363
Differences between expected and actual experience	(3,176)	—
Effect of economic/demographic gains or losses	—	—
Changes of assumptions or other inputs	250,439	1,514
Benefit payments	(23,661)	(3,171)
Net Changes	291,335	5,735
Balances at June 30, 2021	\$ 1,355,660	\$ 155,450

For the year ended June 30, 2021, the MHPML and CEIP recognized OPEB expense of \$53,032,000 and \$7,321,000, respectively.

At June 30, 2021, deferred outflows of resources and deferred inflows of resources related to OPEBs were reported from the following sources (in thousands of dollars):

	Deferred Outflows of Resources				Deferred Inflows of Resources			
	MCHCP	MHPML	CEIP	MCHCP- CU	MCHCP	MHPML	CEIP	MCHCP- CU
Difference between expected and actual experience	\$ 75,440	\$ —	\$ —	\$ 33	\$ (20,370)	\$ (39,007)	\$ (24,133)	\$ (10)
Changes of assumptions	—	209,451	27,154	—	(129,225)	(128,328)	(2,704)	(58)
Net difference between projected and actual earnings on plan investments	5,075	—	—	2	—	—	—	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	735	—	—	51	(97)	—	—	(133)
Contributions subsequent to the measurement date	74,276	23,875	—	32	—	—	—	—
Total	\$155,526	\$233,326	\$ 27,154	\$ 118	\$ (149,692)	\$ (167,335)	\$ (26,837)	\$ (201)

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 8 - Other Postemployment Benefits (cont.)

Amount reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the measurement period of the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands of dollars):

June 30	Net Deferred Outflows/Inflows of Resources			
	MCHCP	MHPML	CEIP	MCHCP-CU
2022	\$ (9,554)	\$ (14,701)	\$ (71)	\$ (17)
2023	(9,511)	(14,701)	(71)	(17)
2024	(10,202)	9,029	632	(17)
2025	(10,407)	20,222	(373)	(17)
2026	(11,187)	37,815	200	(18)
Thereafter	(17,581)	4,452	—	(29)
Totals	<u>\$ (68,442)</u>	<u>\$ 42,116</u>	<u>\$ 317</u>	<u>\$ (115)</u>

Actuarial Assumptions

The total OPEB liability at June 30, 2021, is based upon the the July 1, 2020, actuarial valuation date for MCHCP, the July 1, 2019, actuarial date for MHPML, and the June 30, 2019, actuarial valuation date for CEIP, using the entry age normal actuarial cost method. Significant actuarial assumptions used in the actuarial valuations are the following:

MCHCP and MCHCP-CU	
Price Inflation	3.0%
Salary Increases	4.0%
Investment Rate of Return	4.38%
Healthcare Cost Trend Rate	Non-Medicare is 5.75% for fiscal year 2020; the rate decreases by 0.25% per year to an ultimate rate of 5.0% in fiscal year 2023 and later. Medicare is 10.00% in fiscal 2020, 22.00% in fiscal 2021, 10.00% in fiscal 2022 and 2023, 9.5% in fiscal 2024, 9.00% in fiscal 2025, 8.5% in fiscal 2026 then 8.00% in fiscal 2027 decreasing by 1.00% per year to an ultimate rate of 5.00% in fiscal year 2030 and after.
MHPML	
Price Inflation	2.0%
Salary Increases	2.5%
Investment Rate of Return	2.21%
Healthcare Cost Trend Rate	6.00% for 2019, decreasing to 4.5% for 2025 and later years.
CEIP	
Price Inflation	2.3%
Salary Increases	4.0%
Investment Rate of Return	2.16%
Healthcare Cost Trend Rate	Pre-65 rate of 6.6% for 2019, gradually decreasing to an ultimate rate of 3.7% for 2073 and beyond. Post-65 trend rate of 6.3% for 2019, gradually decreasing to an ultimate rate of 3.7% for 2073 and beyond.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 8 - Other Postemployment Benefits (cont.)

MCHCP's actuarial assumptions used in the July 1, 2020, valuation for SRWBT involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The valuation to determine MCHCP's total OPEB liability is required to be performed at least every two years, but is performed annually. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial liabilities and the actuarial value of assets, consistent with the long term perspective of the calculations. The collective total OPEB liability for June 30, 2020, measurement date was determined by an actuarial valuation as of July 1, 2020. The cost method utilized for the valuation year June 30, 2020, was the entry age normal, level percentage of payroll. Mortality rates were based on RP-2016 for Employees/Annuitants without collar adjustments using Scale MP-2016. The last experience study was conducted in 2020.

MHPML's actuarial assumptions used in the July 1, 2019, valuation were determined using a measurement date of July 1, 2020. The inflation rate was based on the actuary's long-term estimate of inflation as of July 1, 2019. The salary increases were based on projected salaries, which include COLA's. The discount rate was based on Bond Buyer General Obligation 20-Bond Municipal Bond Index. Mortality rates were based on Pub-2010 Public Retirement Plans Safety Employees Mortality Table weighted by Headcount project by MP-2020 and Pub-2010 Public Retirement Plans Safety Employees Mortality Table, weighted by Headcount projected by MP-2020 for July 1, 2020. The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2019. From the previous valuation, the discount rate changed from 3.51% to 2.21%.

CEIP's actuarial assumptions used in the June 30, 2019, valuation were determined using a measurement date of June 30, 2021. The discount rate was based on the 20-year Bond General Obligation Index. Mortality rates were based on Pub-2010 Mortality for General Employees, Healthy Annuitants and Contingent Survivors, with generational projection per Scale MP-2019. The plan has not had a formal actuarial experience study performed. From the previous valuation, the discount rate changed from 2.21% to 2.16%.

For MCHCP, the long-term expected rate of return on OPEB plan investments was determined as a blend of the plan sponsor's best estimate on the expected return on plan assets and the 20-year high quality municipal bond rate as of the measurement date. The target asset allocation and best estimates of arithmetic real rate of returns for each major asset class are listed below.

Asset Class	MCHCP and MCHCP-CU	
	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Stocks	17.0%	8.5%
Mid Cap Stocks	6.0%	8.8%
Small Cap Stocks	7.0%	8.8%
International Stocks	4.0%	8.9%
BarCap Aggregate Bonds	64.0%	2.4%
Cash Equivalents	2.0%	2.1%
	<u>100.0%</u>	

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 8 - Other Postemployment Benefits (cont.)

Discount Rate

A single discount rate based on the expected rate of return on OPEB investments of 4.38%, 2.21%, and 2.16% was used to measure the total OPEB liability for MCHCP, MHPML, and CEIP, respectively. For MCHCP, the projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions will be made at required rates, actuarially determined. For years where the expected benefit payments can be covered by projected trust assets, expected returns are used. For years where payments are not expected to be covered by trust assets, the municipal Bond Buyer 20-Bond General Obligation Index rate is utilized.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

Regarding the sensitivity of the net OPEB liability for MCHCP and total OPEB liability for MHPML and CEIP, to changes in the single discount rate, the following presents the State's liability, calculated using a single discount rate, as well as, what the plan's liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
MCHCP Net OPEB Liability	3.38% \$2,126,463	4.38% \$1,774,156	5.38% \$1,498,134
MHPML Total OPEB Liability	1.21% \$1,590,984	2.21% \$1,355,660	3.21% \$1,092,519
CEIP Total OPEB Liability	1.16% \$190,606	2.16% \$155,450	3.16% \$128,734
MCHCP-CU Net OPEB Liability	3.38% \$939	4.38% \$784	5.38% \$662

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

Regarding the sensitivity of the net OPEB liability for MCHCP and the total OPEB liability for MHPML and CEIP, to changes in healthcare cost trend rates, the following presents the plan's liability, calculated using healthcare cost trend rates, as well as, what the plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
MCHCP Net OPEB Liability	\$1,493,094	\$1,774,156	\$2,133,156
MHPML Total OPEB Liability	\$1,068,726	\$1,355,660	\$1,629,230
CEIP Total OPEB Liability	\$128,828	\$155,450	\$191,103
MCHCP-CU Net OPEB Liability	\$660	\$784	\$942

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 8 - Other Postemployment Benefits (cont.)

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separate financial reports issued by MCHCP:

Missouri Consolidated Health Care Plan
P.O. Box 104355
Jefferson City, Missouri 65110-4355
www.mchcp.org

Missouri State Insured Defined Benefit Insurance Plan

The Missouri State Insured Defined Benefit Insurance Plan is administered through The Standard, which is a third party administrator with oversight by Missouri State Employees Retirement System (MOSERS). In the event that the Standard becomes insolvent, the Missouri Guarantee Association will work with the Standard to see what assets are available to handle their liabilities and the MO Guarantee Association would handle the open and unpaid claims up to the maximum outlined in Section 376.717, RSMo.

Retiree Life Insurance

Members who retire on or after October 1, 1985, or retirees of the Department of Labor and Industrial Relations (DOLIR) who retire on or after January 1, 1996, are eligible for \$5,000 of state-sponsored basic life insurance coverage if they retire directly from active employment. This group plan is financed on a percentage of payroll and is purchased as a group policy through competitive bids. Premiums are contributed as provided by Section 104.515, RSMo. Retirees of the DOLIR who retire prior to January 1, 1996, are eligible for state-sponsored insured defined benefit coverage in the same amount of coverage they were receiving through the DOLIR. The coverage for this closed group is purchased as a group policy at a current cost of \$2.07 per thousand dollars of coverage, per month as provided by Section 288.225, RSMo. The cost for fiscal year 2021 was \$2,011,000.

Long-Term Disability Insurance (LTD)

MOSERS provides LTD coverage for eligible members and generally includes those active members of MOSERS' retirement plans who do not have other disability coverage and are not yet eligible to receive normal (unreduced) retirement benefits. There were 29,674 members covered under the program as of June 30, 2021. This insured defined-benefit coverage is billed on percentage of covered payroll (0.55% July 2020 through December 2020; .0445% January 2021 and later). Purchased as group policy through competitive bids, LTD is administered by The Standard Insurance Company. The cost for the year ended June 30, 2021, was \$7,830,000. Premiums are contributed by the State and its component employers as provided for by Section 104.515, RSMo.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 8 - Other Postemployment Benefits (cont.)

University of Missouri System

Plan Description

In addition to the retirement benefits described in *Note 7*, the University of Missouri operates a single-employer, defined benefit Other Postemployment Benefits (OPEB) Plan. The assets of the OPEB Trust Fund are irrevocable and legally protected from creditors and dedicated to providing postemployment benefits in accordance with the plan. The OPEB plan provides postemployment medical, dental, and life insurance benefits to employees who retire from the University after attaining age 55 and before reaching age 60 with ten or more years of service, or after attaining age 60 with five or more years of service. As of January 1, 2018, employees must be 60 years old and have 20 years of service at the date of retirement to access the same percentage subsidy as retirees prior to January 1, 2018. Employees with age plus years of service less than 80, but with more than 5 years of service as of January 1, 2018, will receive a subsidy of \$100 per year of service up to a maximum of \$2,500 annually. Employees with less than 5 years of service as of January 1, 2018, will not receive an insurance subsidy or be eligible to participate in the University's plans.

As of June 30, 2021, 8,407 retirees were receiving benefits, and an estimated 8,021 active University employees may become eligible to receive benefits under the plan. Postemployment medical, dental and life insurance benefits are also provided to long-term disability claimants who were vested in the University's Retirement Plan at the date the disability began, provided the onset date of the disability was on or after September 1, 1990. As of June 30, 2021, 136 long-term disability claimants met those eligibility requirements. The terms and conditions governing the postemployment benefits to which employees are entitled are at the sole authority and discretion of the University's Board of Curators. The OPEB plan does not issue a separate financial report.

Contributions

Postemployment benefits are funded through both employer and employee contributions. Contribution requirements of employees and the University are established and may be amended by the University's Board of Curators. For employees retiring prior to September 1, 1990, the University contributes 2/3 of the medical benefits premium and 1/2 of the dental plan premium. For employees who retire on or after September 1, 1990, the University contributes towards premiums based on the employee's length of service and age at retirement.

The University makes available two group term life insurance options. Option A coverage is equal to the retiree's salary at the date of retirement, while Option B is equal to two times the amount. For each Option, graded decreases in coverage are made when the retiree attains specific age levels. The University pays the full cost of Option A and approximately 91% of Option B coverage. Coverage for group term life insurance ends on January 1 following the retiree's 70th birthday.

For the year ended June 30, 2021, participant contributions were \$18,296,000, or approximately 49.7%, of the total premiums through their required contributions, which vary depending on the plan and coverage selection. In fiscal year 2021, the contribution rate as a percentage of covered payroll was 3.2% and the University contributed \$18,551,000.

The University also makes available two long-term disability options to its employees. Option A coverage is equal to 60% of the employee's salary on the date the disability began, when integrated with benefits from all other sources. Option B coverage is equal to 66-2/3% of the employee's salary, integrated so that benefits from all sources will not exceed 85% of the employee's salary. Both options have a 149-day waiting period and provide benefits until age 65. The University pays the full cost of the Option A premium, while employees enrolled in Option B pay the additional cost over the Optional A premium.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 8 - Other Postemployment Benefits (cont.)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2021, the net OPEB liability for the University was based on an actuarial valuation as of June 30, 2021, and measured as of that date. For the year ended June 30, 2021, fiduciary net position as a percentage of the net OPEB liability amounted to 15.59%.

Changes in net OPEB liability (in thousands of dollars):

	Total OPEB Liability (TOL)	Fiduciary Net Position (FNP)	Net OPEB Liability (NOL)
Balances at June 30, 2020	\$ 406,980	\$ 39,366	\$ 367,614
Changes for the year:			
Service Cost	5,115	—	5,115
Interest	8,905	—	8,905
Differences between expected and actual experience	(14,091)	—	(14,091)
Changes in assumptions	(135,163)	—	(135,163)
Contributions – Employer	—	18,551	(18,551)
Contributions – Employee	—	18,296	(18,296)
Net Investment Income	—	12	(12)
Benefit payments, including refunds of employee contributions	(18,438)	(36,734)	18,296
Administrative Expenses	—	—	—
Net Changes	(153,672)	125	(153,797)
Balances at June 30, 2021	<u>\$ 253,308</u>	<u>\$ 39,491</u>	<u>\$ 213,817</u>

For the year ended June 30, 2021, the University recognized OPEB expense of (\$34,166,000). In FY21, there was a change in the medical premium split between employer and employee share causing costs to shift to the employees. At June 30, 2021, deferred outflows of resources and deferred inflows of resources related to OPEBs were reported from the following sources (in thousands of dollars):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 18,723	\$ 14,308
Changes in assumptions	—	187,987
Net difference between projected and actual earnings on OPEB plan investments	—	1,307
Total	<u>\$ 18,723</u>	<u>\$ 203,602</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 8 - Other Postemployment Benefits (cont.)

The University recognizes differences between actual and expected investment performance included in deferred outflows/inflows of resources on a straight-line basis over five years. Differences between expected and actual experience on actuarial assumptions are amortized over the average expected remaining service life of the University's employees. The following table summarizes the future recognition of those items (in thousands of dollars):

Fiscal Year Ended June 30	Net Deferred Outflows/Inflows of Resources
	Recognition
2022	\$ (48,003)
2023	(47,685)
2024	(44,358)
2025	(36,009)
2026	(8,734)
Totals	\$ (184,789)

Actuarial Assumptions

The total OPEB liability at June 30, 2021, is based upon the June 30, 2021, actuarial valuation, using the entry age normal, as a level percentage of pay, actuarial cost method. Significant actuarial assumptions used in the actuarial valuations are the following:

Price Inflation	2.2%
Salary Increases	Varies based on age: 0.1% to 6.0%(including inflation) for academic and administrative; 0.1% to 3.0% (including inflation) for clerical and service
Investment Rate of Return	2.16%
Pre-65 Medical and HSP Plans Trend Rate	7.75% decreasing by 0.25% per year until an ultimate trend of 4.50% is reached.
Pre-65 Rx trend rate	8.75% decreasing by 0.25% per year until an ultimate trend of 4.50% is reached.
Post-65 Medicare and Rx Trend Rate	(48.1%) for 2022, 3.0%, then 6.0% decreasing by 0.25% per year until an ultimate trend of 4.50% is reached
Post-65 Medicare Buyup and Rx trend rate	(12.6%) for 2022, 3.0%, then 6.0% decreasing by 0.25% per year until an ultimate trend of 4.50% is reached.
Dental trend rates	0% for 2022, then 2.0% all years after

The University's actuarial assumptions used in the June 30, 2020, valuation involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Benefit projections for financial reporting purposes are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and the historical pattern of cost sharing between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. For healthy retiree mortality rates, the RP-2014 Healthy Employee/Annuitant Mortality Table projected generationally using Scale MP-2017 was used. For disabled retiree mortality rates, the RP-2014 Disabled Annuitant Mortality Table projected generationally using Scale MP-2017 was used.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 8 - Other Postemployment Benefits (cont.)

Discount Rate

The discount rate used to measure the total OPEB liability was 2.16% for the year ended June 30, 2021. The projection of cash flows used to determine the discount rate assumed that the University would not make additional contributions to the OPEB Trust and would continue to fund the plan on a pay-as-you-go basis. Based on those assumptions, the OPEB Plan's fiduciary net position was not projected to cover a full year of projected future benefit payments. Therefore, all future benefit payments are discounted at the current index rate for 20 year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

Regarding the sensitivity of the net OPEB liability for the University, to changes in the single discount rate, the following presents the University's liability, calculated using a single discount rate, as well as, what the plan's liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	1.16%	2.16%	3.16%
Net OPEB Liability	\$250,292	\$213,817	\$183,880

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

Regarding the sensitivity of the net OPEB liability for the University, to changes in healthcare cost trend rates, the following presents the University's liability, calculated using healthcare cost trend rates, as well as, what the plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher (in thousands of dollars):

	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
Net OPEB Liability	\$197,515	\$213,817	\$233,478

Detailed information concerning the Plan is presented in the University's 2021 financial report, which is publicly available. Copies of this report may be requested from:

University of Missouri System
118 University Hall
Columbia, Missouri 65211
www.umsystem.edu

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 9 - Deferred Compensation

Missouri State Public Employees' Deferred Compensation Plan:

In accordance with Internal Revenue Code Section 457, the State offers all employees the opportunity to participate in the Missouri State Public Employees' Deferred Compensation Plan. Under the Plan, employees are permitted to defer a portion of their current salary until future years.

All amounts of compensation deferred under the Plan must be held in a trust, custodial account, or annuity contract for the exclusive benefit of Plan participants and their beneficiaries. Investments are managed by the Plan's trustee under one of several investment options, or a combination thereof. The choice between the investment option(s) available by the Plan is made by the participants.

Copies of the Plan's financial statements may be requested from:

Plan Administrator
c/o MOSERS
P.O. Box 209
907 Wildwood Drive
Jefferson City, Missouri 65102-0209

Missouri State Public Employees' Deferred Compensation Plan:

The Plan was established by the Missouri State Public Employees' Deferred Compensation Commission in July 1995 pursuant to Section 401(a) of the Internal Revenue Code.

Under the Plan provisions, any employee of the State is eligible to participate in the Plan if he/she has been an employee of the State for at least 12 consecutive months preceding any employer contributions to the Plan, and is making continuous monthly deferrals of at least \$25 to the Missouri State Public Employees' Deferred Compensation Plan. As of March 2010, employer incentive (match) associated with the State of Missouri Deferred Compensation Plan was suspended. Participating employees are 100% vested.

The first employer contributions to the Plan were made in January 1996. The Plan receives contributions from employers as well as rollovers from other qualified plans. During fiscal year 2021, net rollovers and contributions to ICMA-RC were \$1,323,000.

Copies of the Plan's financial statements may be requested from:

Plan Administrator
c/o MOSERS
P.O. Box 209
907 Wildwood Drive
Jefferson City, Missouri 65102-0209

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 10 - Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2021 (in thousands of dollars):

	*Balance June 30, 2020	Increases	Decreases	Balance June 30, 2021	Due Within One Year
Governmental Activities:					
Due to Other Entities	\$ 784	\$ 136	\$ (108)	\$ 812	\$ 136
General Obligation Bonds Payable	44,530	—	(15,880)	28,650	16,560
Other Bonds Payable	2,460,650	172,850	(468,700)	2,164,800	303,520
Unamortized Bond Premium	129,062	27,770	(39,479)	117,353	—
Obligations under Financed Purchase	22,755	13,767	(16,093)	20,429	11,566
Obligations under Lease Purchase	42,074	—	(3,583)	38,491	3,706
Pollution Remediation	48,264	1,139	(1,269)	48,134	2,142
Asset Retirement Obligations	1,792	8	(1)	1,799	—
Compensated Absences	190,415	223,462	(222,786)	191,091	159,541
Claims Liability	151,008	657,493	(651,239)	157,262	101,870
Contingent Liabilities	27,830	21,113	(5,473)	43,470	27,766
2 nd Injury Fund Contingent Liabilities	2,174,003	140,206	(70,541)	2,243,668	70,542
Net Other Postemployment Benefit Obligation	2,909,683	473,463	(164,876)	3,218,270	—
Net Pension Liability	6,936,979	1,349,980	(982,935)	7,304,024	—
Total Governmental-Type Activities	<u>\$ 15,139,829</u>	<u>\$ 3,081,387</u>	<u>\$ (2,642,963)</u>	<u>\$ 15,578,253</u>	<u>\$ 697,349</u>
Business-Type Activities:					
Other Bonds Payable	\$ 3,485	\$ —	\$ (3,485)	\$ —	\$ —
Obligations under Financed Purchases	3	—	(3)	—	—
Claims Liability	85,163	10,651	(8,601)	87,213	11,000
Grand Prize Winner Liability	127,199	104,784	(98,307)	133,676	102,048
Asset Retirement Obligations	2	—	—	2	—
Compensated Absences	5,266	5,631	(5,433)	5,464	5,428
Net Other Postemployment Benefit Obligation	56,537	2,439	(2,240)	56,736	—
Net Pension Liability	165,453	48,796	(35,529)	178,720	—
Total Business-Type Activities	<u>\$ 443,108</u>	<u>\$ 172,301</u>	<u>\$ (153,598)</u>	<u>\$ 461,811</u>	<u>\$ 118,476</u>

*Beginning balances as of June 30, 2020, have been restated (see Note 17).

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 11 - Debt

Bonds:

Bonds are long-term liabilities and are reconciling items from governmental fund financial statements to government-wide financial statements. On the Government-Wide Statement of Net Position, the long-term liabilities are shown as the amounts due within one year from the date of the statement and the amounts due in more than one year from the date of the statement.

General Obligation Bonds:

The Board of Fund Commissioners of the State of Missouri, upon voter approval and subsequent authorization of the General Assembly, issues general obligation bonds that are secured by a pledge of the full faith, credit, and resources of the State. The principal and interest amounts are transferred one year in advance from the General Fund or other funds to the debt service funds from which principal and interest payments are made. Three types of general obligation bonds are currently outstanding. Proceeds from the Water Pollution Control Bonds were used to provide funds for the protection of the environment through the control of water pollution. Proceeds from the Fourth State Building Bonds were used to provide funds for improvements of buildings and property of higher education institutions, Department of Corrections, and the Division of Youth Services. Proceeds from the Stormwater Control Bonds were used to provide funds to protect the environment through the control of stormwater.

To take advantage of lower interest rates, the Board of Fund Commissioners has issued bonds to refund various outstanding bond issues. The following indicates the refunding bonds issued by the Board (in thousands of dollars):

	Date Issued	Amount Issued	Series Refunded	Amount Refunded
Water Pollution Control Bonds:				
Series A 2010-Refunding	7/27/10	\$ 81,450	A 2001	\$ 15,030
			A 2002	20,225
			B 2002-Refunding	12,990
			A 2005-Refunding	8,595
			A 2007	31,385
Fourth State Building Bonds:				
Series A 2010-Refunding	7/27/10	9,060	A 2002-Refunding	8,970
			A 2005-Refunding	1,470
Series A 2012-Refunding	9/27/12	100,395	A 2002-Refunding	110,535
Stormwater Control Bonds:				
Series A 2010-Refunding	7/27/10	15,150	A 2001	7,320
			A 2002	8,475
			A 2005-Refunding	905

The additional principal amount of the refunding bonds does not decrease the amount of the authorization.

As of June 30, 2021, \$594,494,240 of the Water Pollution Control Bonds; \$250,000,000 of the Fourth State Building Bonds; and \$45,000,000 of the Stormwater Control Bonds have been issued. The remaining authorization for the Water Pollution Control Bonds is \$130,505,760 and for Stormwater Control Bonds is \$155,000,000. There is no remaining authorization for the Fourth State Buildings Bonds.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 11 - Debt (cont.)

General obligation bonds issued and outstanding as of June 30, 2021, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Water Pollution Control Bonds:						
Series A 2007	4.0 - 5.0%	6/1; 12/1	11/07	12/1/21	\$ 50,000	\$ 1,985
Series A 2010-Refunding	4.0 - 5.0%	12/1; 6/1	7/10	12/1/22	81,450	18,195
Fourth State Building Bonds:						
Series A 2010-Refunding	4.0 - 5.0%	12/1; 6/1	7/10	12/1/22	9,060	2,020
Series A 2012-Refunding	2.0 - 4.0%	10/1; 4/1	9/12	10/1/21	100,395	3,065
Stormwater Control Bonds:						
Series A 2010-Refunding	4.0 - 5.0%	12/1; 6/1	7/10	12/1/22	15,150	3,385
Total General Obligation Bonds					<u>\$ 256,055</u>	28,650
Less: Amount in Sinking Fund for payment of Principal						(17,681)
						<u>\$ 10,969</u>

As of June 30, 2021, general obligation debt service requirements for principal and interest in future years were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2022	\$ 16,560	\$ 964	\$ 17,524
2023	12,090	302	12,392
Totals	<u>\$ 28,650</u>	<u>\$ 1,266</u>	<u>\$ 29,916</u>

Other Bonds:

The Board of Public Buildings of the State of Missouri, upon the approval of the General Assembly, issues revenue bonds for building projects and commits state agencies to lease space in these buildings. The General Assembly appropriates to the Board, on behalf of the state agencies, amounts sufficient to pay the principal and interest on the bonds, maintain certain required reserves, and to pay the costs of operations. The total amount authorized for the Board equals \$1,545,000,000.

To take advantage of lower interest rates, the Board of Public Buildings has issued bonds to refund various outstanding bond issues. The following indicates the refunding bonds issued by the Board (in thousands of dollars):

	Date Issued	Amount Issued	Series Refunded	Amount Refunded
Board of Public Buildings:				
Series A 2011-Refunding	09/27/11	\$ 143,020	A 2001	\$ 126,850
			A 2003	12,620
			A 2006	3,175
Series A 2012-Refunding	08/23/12	278,835	A 2003	285,340
Series A 2013-Refunding	10/11/13	29,370	A 2003	30,195
Series A 2014-Refunding	08/19/14	88,680	A 2006	87,225
Series A 2015-Refunding	04/01/15	20,250	A 2011-Refunding	21,380
Series A 2020-Refunding	03/26/20	38,920	A 2011-Refunding	40,350
Series B 2020-Refunding	08/25/20	172,850	A 2012-Refunding	185,850
			A 2013-Refunding	19,635

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 11 - Debt (cont.)

The additional principal amount of the refunding bonds does not decrease the amount of the authorization.

As of June 30, 2021, the Board of Public Buildings Bonds had issued \$1,192,915,000 of the bond authorization. The remaining authorization is \$352,085,000.

The Board of Public Buildings Bonds issued and outstanding as of June 30, 2021, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Board of Public Buildings:						
Series A 2011-Refunding	1.0 - 5.0%	4/1; 10/1	9/11	10/1/28	\$ 143,020	\$ 25,080
Series A 2014-Refunding	1.0 - 5.0%	4/1; 10/1	8/14	10/1/30	88,680	65,360
Series A 2015-Refunding	5.0%	4/1; 10/1	4/15	10/1/24	20,250	20,250
Series A 2015	3.0 - 5.0%	4/1; 10/1	4/15	10/1/39	36,805	31,130
Series B 2015	3.0 - 5.0%	4/1; 10/1	9/15	4/1/30	60,000	38,215
Series A 2016	3.0 - 4.0%	4/1; 10/1	5/16	4/1/36	100,000	69,295
Series A 2017	2.0 - 5.0%	4/1; 10/1	9/17	4/1/32	77,165	60,150
Series A 2018	3.0 - 5.0%	4/1; 10/1	5/18	4/1/38	47,740	40,130
Series A 2020-Refunding	3.0 - 3.25%	4/1; 10/1	3/20	10/1/25	38,920	29,855
Series B 2020-Refunding	4.0 - 5.0%	4/1; 10/1	8/20	10/1/28	172,850	172,850
Total Board of Public Buildings Bonds					<u>\$ 785,430</u>	<u>\$ 552,315</u>

As of June 30, 2021, the debt service requirements for principal and interest in future years for the Board of Public Buildings Bonds were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2022	\$ 51,645	\$ 21,270	\$ 72,915
2023	54,785	18,865	73,650
2024	57,045	16,277	73,322
2025	59,815	13,515	73,330
2026	61,555	10,783	72,338
2027-2031	218,775	23,277	242,052
2032-2036	36,325	5,060	41,385
2037-2040	12,370	799	13,169
Totals	<u>\$ 552,315</u>	<u>\$ 109,846</u>	<u>\$ 662,161</u>

The Missouri Health and Educational Facilities Authority (MOHEFA) issued \$35,000,000 of Educational Facilities Revenue Bonds (University of Missouri-Columbia Arena Project) Series 2001, dated November 1, 2001, to fund the design, acquisition, construction, furnishing, and equipping of a sports arena facility and related facilities on the University of Missouri-Columbia campus. MOHEFA issued \$20,125,000 of Educational Facilities Refunding Revenue Bonds Series 2011, dated November 17, 2011. The Refunding Educational Facilities Revenue bonds refunded \$22,770,000 of Educational Facilities Revenue Bonds Series 2001. These bonds are special, limited obligations of the Authority and do not constitute a pledge of the full faith and credit of the State. However, under a financing agreement, the Office of Administration will request that the Governor's annual budget request to the General Assembly include the State's financing amount for principal and interest each year.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 11 - Debt (cont.)

The Educational Facilities Revenue Bonds issued and outstanding as of June 30, 2021, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Educational Facilities Revenue Bonds:						
Series 2011-Refunding	2.0 - 5.0%	4/1; 10/1	11/11	10/1/21	<u>\$ 20,125</u>	<u>\$ 2,465</u>

As of June 30, 2021, the debt service requirements for principal and interest in future years for the Educational Facilities Revenue Bonds (based on the financing agreement between the State and the Authority) were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2022	<u>\$ 2,465</u>	<u>\$ 62</u>	<u>\$ 2,527</u>
Totals	<u>\$ 2,465</u>	<u>\$ 62</u>	<u>\$ 2,527</u>

The Regional Convention and Sports Complex Authority issued \$132,910,000 of Convention and Sports Facility Project Bonds Series A 1991, dated August 15, 1991, to finance the costs of acquiring land and constructing a multi-purpose convention and indoor sports facility in downtown St. Louis, Missouri. On December 15, 1993, the Authority issued \$121,705,000 of Convention and Sports Facility Project Refunding Bonds Series A 1993 for the purpose of refunding the callable portions of the outstanding bonds issued in August 1991 and to pay the costs of additions and enhancements to the project. The outstanding principal amount refunded was \$101,410,000. On August 1, 2003, the Authority issued \$116,030,000 of Convention and Sports Facility Project Refunding Bonds Series A 2003 for the purpose of refunding Convention and Sports Facility Project Bonds Series A 1991 and Series A 1993 refunding bonds and to pay the costs of additions and enhancements to the project. The outstanding principal amount refunded was \$2,845,000 for the Series A 1991 bonds and \$113,170,000 for the Series A 1993 refunding bonds. On August 20, 2013, the Authority issued \$65,195,000 of Convention and Sports Facility Project Refunding Bonds Series A 2013 for the purpose of refunding Convention and Sports Facility Project Refunding Bonds Series A 2003. The principal amount refunded was \$64,385,000. These bonds are limited obligations of the Authority and do not constitute a pledge of the full faith and credit of the State.

The Convention and Sports Facility Project Bonds issued and outstanding as of June 30, 2021, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Convention and Sports Facility Project Bonds:						
Series A 2013-Refunding	2.0 - 5.0%	2/15; 8/15	8/13	8/15/21	<u>\$ 65,195</u>	<u>\$ 9,520</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 11 - Debt (cont.)

As of June 30, 2021, the debt service requirements for the principal and interest in future years for the Convention and Sports Facility Project Bonds were as follows (in thousands of dollars):

<u>Fiscal Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2022	\$ 9,520	\$ 238	\$ 9,758
Totals	<u>\$ 9,520</u>	<u>\$ 238</u>	<u>\$ 9,758</u>

Under a financing agreement dated August 1, 1991, the Office of Administration will request that the Governor's annual budget request to the General Assembly include the State's financing amount of \$10,000,000 for principal and interest and \$2,000,000 for maintenance each year. Future payments to the Authority related to the bond repayment as of June 30, 2021, were as follows (in thousands of dollars):

<u>Fiscal Year Ended June 30</u>	<u>State Debt Service Payments</u>
2022	\$ 5,000
Total	<u>\$ 5,000</u>

The Missouri Development Finance Board (MDFB) issued \$92,660,000 of Series 2014 Bonds dated December 10, 2014 and \$97,225,000 of Series 2016 Bonds dated December 15, 2016, to fund the replacement of the Fulton State Hospital. These bonds are special, limited obligations of the Board and do not constitute a pledge of the full faith and credit of the State. However, under a financing agreement, the Office of Administration will request that the Governor's annual budget request to the General Assembly include the State's financing amount for principal and interest each year.

The MDFB – Fulton State Hospital Project Bonds issued and outstanding as of June 30, 2021, were as follows (in thousands of dollars):

	<u>Interest Rates</u>	<u>Payment Dates</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Issued</u>	<u>Outstanding</u>
Fulton State Hospital Project Bonds:						
Series 2014	2.125 - 5.0%	4/1; 10/1	12/14	10/1/39	\$ 92,660	\$ 77,610
Series 2016	4.0 - 5.0%	4/1; 10/1	12/16	10/1/39	97,225	86,825
Total Fulton State Hospital Bonds					<u>\$ 189,885</u>	<u>\$ 164,435</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 11 - Debt (cont.)

As of June 30, 2021, the debt service requirements for principal and interest in future years for the Fulton State Hospital Project Bonds (based on the financing agreement between the State and the Board) were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2022	\$ 5,910	\$ 6,428	\$ 12,338
2023	6,210	6,125	12,335
2024	6,475	5,855	12,330
2025	6,710	5,617	12,327
2026	6,965	5,355	12,320
2027-2031	39,295	22,240	61,535
2032-2036	47,510	13,967	61,477
2037-2040	45,360	3,779	49,139
Totals	<u>\$ 164,435</u>	<u>\$ 69,366</u>	<u>\$ 233,801</u>

The Missouri Development Finance Board (MDFB) issued \$33,800,000 of Series A 2016 Bonds dated March 11, 2016, to fund the State Historical Society project. These bonds are special, limited obligations of the Board and do not constitute a pledge of the full faith and credit of the State. However, under a financing agreement, the Office of Administration will request that the Governor's annual budget request to the General Assembly include the State's financing amount for principal and interest each year.

The MDFB – State Historical Society Project Bonds issued and outstanding as of June 30, 2021, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
State Historical Society Project Bonds:						
Series A 2016	2.0 - 5.0%	4/1; 10/1	3/16	10/1/35	<u>\$ 33,800</u>	<u>\$ 27,350</u>

As of June 30, 2021, the debt service requirement of the State for principal and interest in future years for the State Historical Society Project were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2022	\$ 1,480	\$ 831	\$ 2,311
2023	1,530	779	2,309
2024	1,555	748	2,303
2025	1,605	692	2,297
2026	1,665	627	2,292
2027-2031	9,065	2,326	11,391
2032-2036	10,450	813	11,263
Totals	<u>\$ 27,350</u>	<u>\$ 6,816</u>	<u>\$ 34,166</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 11 - Debt (cont.)

State Road Bonds:

The Missouri Highways and Transportation Commission authorized by Article IV, Section 29-34 of the Missouri Constitution and Section 226.133 of the State Highway Act, issues bonds for highway construction and repairs. Under the Missouri Constitution, the principal and interest of the State Road Bonds are payable solely from the revenues of the Missouri Road Fund. State Road Bonds have the following levels of priority: Senior Bonds, First Lien Bonds, Second Lien Bonds, and Third Lien Bonds. Proceeds from State Road Bonds are used for the purpose of constructing and maintaining the State's highways. As of June 30, 2021, the Missouri Highways and Transportation Commission had issued \$3,990,565,000. In addition, Senate Concurrent Resolution 14 authorized \$301,000,000 in Missouri Highways and Transportation Commission bonds to renovate bridges and other important transportation infrastructure. In fiscal year 2020, the Third Lien State Road Bonds, Series B 2019 were issued in the amount of \$178,370,000. These bonds are payable from the General Revenue Fund.

To take advantage of lower interest rates, the Missouri Highways and Transportation Commission has issued Bonds to refund various outstanding bond issues. The following indicates the refunding bonds issued by the Commission (in thousands of dollars):

	Date Issued	Amount Issued	Series Refunded	Amount Refunded
Senior Lien State Road Bonds:				
Series C 2010-Refunding	11/10/10	\$ 130,390	A 2001	\$ 11,135
			A 2002	18,405
			A 2003	111,760
Series A 2014-Refunding	6/3/14	589,015	A 2006	149,150
			B 2006	503,330
Series B 2014-Refunding	6/3/14	311,975	2007	325,290
Series A 2019-Refunding	5/13/19	102,705	A 2008	68,605
			A 2009	42,695

The State Road Bonds issued and outstanding as of June 30, 2021, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Missouri Highways and Transportation Commission:						
State Road Bonds						
Series B 2009	4.802 - 5.252%	5/1; 11/1	9/09	5/1/33	\$ 404,375	\$ 404,375
Series C 2009-Third Lien	4.313 - 5.213%	5/1; 11/1	11/09	5/1/29	300,000	198,950
Series A 2010	1.50 - 5.00%	5/1; 11/1	3/10	5/1/22	128,865	2,745
Series B 2010	4.72 - 5.02%	5/1; 11/1	3/10	5/1/25	56,135	56,135
Series C 2010-Refunding	3.00 - 5.00%	2/1; 8/1	11/10	2/1/23	130,390	34,480
Series A 2014-Refunding	2.00 - 5.00%	5/1; 11/1	6/14	5/1/26	589,015	457,940
Series B 2014-Refunding	3.00 - 5.00%	5/1; 11/1	6/14	5/1/25	311,975	66,625
Series A 2019-Refunding	5.00 %	5/1; 11/1	5/19	5/1/25	102,705	43,105
Series B 2019	5.00 %	5/1; 11/1	12/19	11/1/26	178,370	144,360
Total Missouri Highways and Transportation Commission					<u>\$ 2,201,830</u>	<u>\$ 1,408,715</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 11 - Debt (cont.)

As of June 30, 2021, debt service requirements for principal and interest in future years for the Missouri Highways and Transportation Commission were as follows (in thousands of dollars):

<u>Fiscal Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2022	\$ 232,500	\$ 71,228	\$ 303,728
2023	217,885	60,228	278,113
2024	193,525	49,392	242,917
2025	200,785	39,711	240,496
2026	186,025	29,614	215,639
2027-2031	292,980	64,455	357,435
2032-2033	85,015	6,984	91,999
Totals	<u>\$ 1,408,715</u>	<u>\$ 321,612</u>	<u>\$ 1,730,327</u>

Component Units' Bonds and Direct Placements - The following bonds are included in the balance sheet of the college and universities and the non-major component units.

Major

College and Universities:

The college and universities of the State issue revenue bonds for various projects on each respective campus. Bonds are payable, both principal and interest, only out of net income and revenues arising from operations of facilities funded by the bonds. As of June 30, 2021, debt service requirements for principal and interest for the college and universities were as follows (in thousands of dollars):

<u>Fiscal Year Ended June 30</u>	<u>Bonds from Direct Placements</u>		<u>Other Bonds</u>		<u>Totals</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2022	\$ 13,273	\$ 3,625	\$ 24,792	\$ 87,964	\$ 129,654
2023	16,687	3,224	35,670	86,896	142,477
2024	16,505	2,810	148,539	84,778	252,632
2025	11,041	2,455	63,656	81,926	159,078
2026	10,637	2,196	166,683	78,340	257,856
2027-2031	52,540	7,267	602,471	334,407	996,685
2032-2036	30,324	1,955	276,193	227,173	535,645
2037-2041	1,380	24	312,560	164,528	478,492
2042-2046	—	—	249,620	68,192	317,812
2047-2051	—	—	104,935	44,458	149,393
2052-2056	—	—	150,000	22,244	172,244
Totals ⁽¹⁾	<u>\$ 152,387</u>	<u>\$ 23,556</u>	<u>\$ 2,135,119</u>	<u>\$ 1,280,906</u>	<u>\$ 3,591,968</u>

⁽¹⁾The bond schedule does not include notes payable, therefore, it differs from the bonds and notes payable amount reported in the statements.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 11 - Debt (cont.)

Non-Major

Missouri Development Finance Board:

In December 2000, the Board issued \$6,500,000 in St. Louis Convention Center Hotel Series 2000B, taxable infrastructure facilities revenue bonds and \$14,600,000 in St. Louis Convention Center Hotel Series 2000C, tax-exempt infrastructure facilities revenue bonds, respectively for the purpose of paying the costs of acquiring land and constructing a parking garage. These bonds were remarketing in June 2020 as \$4,590,000 2020B and \$4,730,000 2020C bonds, replacing 2000B and 2000C, respectively. Bonds are payable, both principal and interest, out of revenues derived from the operation of the parking garage.

In April 2010, the Board issued \$9,000,000 in Seventh Street Garage Series 2010, tax exempt infrastructure facilities revenue bonds.

The Missouri Development Finance Board Revenue Bonds issued and outstanding as of June 30, 2021, were as follows (in thousands of dollars):

	Interest Rates	Payment Dates	Issue Date	Final Maturity Date	Issued	Outstanding
Missouri Development Finance Board:						
Revenue Bonds						
Series 2010	Variable	monthly	4/10	10/1/33	\$ 9,000	\$ 4,010
Series 2020B	Variable	monthly	6/20	12/1/49	4,590	4,430
Series 2020C	Variable	monthly	6/20	12/1/49	4,730	4,580
Total Missouri Development Finance Board Revenue Bonds					<u>\$ 18,320</u>	<u>\$ 13,020</u>

As of June 30, 2021, the debt service requirements for principal and interest in future years for the Missouri Development Finance Board Revenue Bonds were as follows (in thousands of dollars):

Fiscal Year Ended June 30	Principal	Interest	Totals
2022	\$ 562	\$ 253	\$ 815
2023	574	240	814
2024	585	227	812
2025	597	217	814
2026	609	236	845
2027-2031	3,255	908	4,163
2032-2036	2,478	447	2,925
2037-2041	1,550	282	1,832
2042-2046	1,550	165	1,715
2047-2051	1,260	48	1,308
Totals ⁽¹⁾	<u>\$ 13,020</u>	<u>\$ 3,023</u>	<u>\$ 16,043</u>

⁽¹⁾The bond schedule does not include notes payable, therefore, it differs from the bonds and notes payable amount reported in the statements.

The annual debt service schedule assumes an interest rate of 1.506%, representing the interest rate at June 30, 2021, for the Series 2020B and Series 2020C bonds. The annual debt service also assumes an interest rate of 4.25%, representing the interest rate as of June 30, 2021, for the Seventh Street Garage Series 2010 bonds. As of June 28, 2012 through April 30, 2015, the Board entered into an interest deferral agreement whereby the bond interest rate for the Seventh Street Garage Series 2010 bonds is the lesser of the modified pay rate or 4.25% annually.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 11 - Debt (cont.)

Bond Transactions of the State of Missouri - The following schedule is a summary of bond activity for the fiscal year ended June 30, 2021 (in thousands of dollars):

	Governmental Funds*		Enterprise Funds*	Component Units		
	General Obligation Bonds	Other Bonds	Other Bonds	Bonds from Direct Placements	Other Revenue Bonds	Totals
Bonds Payable at July 1, 2020	\$ 44,530	\$2,460,650	\$ 3,485	\$ —	\$ —	\$2,508,665
Bond Issuance	—	172,850	—	—	—	172,850
Bonds Retired	(15,880)	(468,700)	(3,485)	—	—	(488,065)
Subtotal	28,650	2,164,800	—	—	—	2,193,450
College and Universities ⁽¹⁾	—	—	—	152,387	2,135,119	2,287,506
MO Development Finance Board	—	—	—	—	13,020	13,020
Bonds Payable at June 30, 2021	<u>\$ 28,650</u>	<u>\$2,164,800</u>	<u>\$ —</u>	<u>\$ 152,387</u>	<u>\$2,148,139</u>	<u>\$4,493,976</u>

⁽¹⁾ Detailed information for college and universities are not shown.

*Restated

Financed Purchases from Direct Borrowings:

The State has entered into various agreements for financed purchases from direct borrowings for buildings, equipment, and software. Through contracts with Central Bank, the State has a \$11.2 million obligation outstanding as of June 30, 2021, for governmental activities. These financed purchases are secured with collateral of capital assets in the amount of \$23.4 million. In the event of default, the lease shall be terminated and the resulting property returned to the lessor. If the termination is the result of non-appropriation, the State shall deliver the property to the lessor within 10 business days after the termination of the lease schedule. If the property is not delivered within 10 business days, then the State shall also be responsible for the payment of damages in an amount equal to the amount of the lease payments that would have thereafter come due on the lease schedule had it not been terminated. The State had an unused line of credit in the amount of \$9.9 million at the end of fiscal year 2021.

The State has entered into an agreement for financed purchases from direct borrowings for energy star equipment through a contract with Bank of America. These purchases are secured with capital assets as collateral with a value of \$23.9 million. The State has a \$2.9 million obligation outstanding as of June 30, 2021, for governmental activities. In the event of default, the lease shall be terminated and the resulting property returned to the lessor. If the termination is the result of non-appropriation, the State shall deliver the property to the lessor within 10 business days after the termination of the lease schedule. If the property is not delivered within 10 business days, then the State shall also be responsible for the payment of damages in an amount equal to the amount of the lease payments that would have thereafter come due on the lease schedule had it not been terminated. The State had no available line of credit at the end of fiscal year 2021.

Through a contract with IBM, the State has \$6.3 million of financed purchases from direct borrowings outstanding as of June 30, 2021, for governmental activities. These financed purchases are secured with capital assets in the amount of \$12.3 million. The State of Missouri can terminate the agreement with written notice prior to 90 days of each starting anniversary. Upon termination, the State will pay to IBM all amounts due and payable including cross-band allotment offerings, termination and/or financing prepayments and applicable taxes on or before the termination. The State of Missouri may elect to cancel the fixed term license program under the agreement by giving IBM 30 day's written notice and may receive a prorated credit for a prepaid term. The prorated credit may be used to purchase IBM programs prior to the end date or termination of the remaining agreement. The credits are not transferable, cannot be converted to cash, and upon expiration eligible credit will be forfeited. The State had no available line of credit at the end of fiscal year 2021.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 11 - Debt (cont.)

As of June 30, 2021, debt service requirements for principal and interest in future years for direct borrowings were as follows (in thousands of dollars):

Fiscal Year Ending	Financed Purchases from Direct Borrowings					
	Governmental Funds		Internal Service Funds		College and Universities	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 5,444	\$ 114	\$ 6,122	\$ 99	\$ 545	\$ 281
2023	3,197	52	2,395	16	560	506
2024	1,311	25	367	1	600	479
2025	838	13	—	—	643	450
2026	755	5	—	—	693	420
2027-2031	—	—	—	—	3,245	1,659
2032-2036	—	—	—	—	2,943	630
Total	<u>\$ 11,545</u>	<u>\$ 209</u>	<u>\$ 8,884</u>	<u>\$ 116</u>	<u>\$ 9,229</u>	<u>\$ 4,425</u>

Note 12 - Defeased Debt

A. Current Year Debt Defeasance

On July 22, 2020, the Southeast Missouri State University Board of Regents issued the System Facilities Refunding Revenue Bonds, Series 2020, in the amount of \$57,480,000, with interest rates ranging from 2.00% to 5.00%, to refund \$65,420,000 of the Series 2013A System Facilities Revenue Bonds. As a result, this bond is considered defeased and the liabilities for the bonds have been removed from the financial statements. As a result of the refunding, the University reduced its total debt service payments by \$5,026,000 to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$4,917,000.

On April 29, 2021, the Missouri State University issued the Auxiliary Enterprise System Revenue Bonds, Series 2021A, in the amount of \$33,874,000, with interest rates ranging from 1.61% to 2.04%, to refund \$34,920,000 of the Series 2015A Auxiliary Enterprise System Revenue Bonds. As a result of the refunding, the University reduced its total debt service payments by \$2,198,000 to obtain an economic gain (difference between present values of the old and the new debt service payments) of \$2,038,000.

B. Cumulative Debt Defeasances

Various bond issues have been defeased by the advance refunding of bonds. Irrevocable escrow accounts, containing proceeds of the refunding bond issues in the form of cash and U.S. government securities, are used to pay principal, interest, or redemption prices of the defeased bonds as and when due.

For financial reporting purposes, the following debt has been defeased and therefore removed as a liability from the governmental activities and college and universities Statement of Net Position.

College and Universities - As of June 30, 2021, bonds outstanding of \$145,760,000 are defeased.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 13 - Payables and Receivables

A summary of accounts payable and accounts receivable at June 30, 2021, is shown below
(in thousands of dollars):

	Governmental Activities	Business-Type Activities	Balance June 30, 2021
Accounts Payable:			
Taxpayers	\$ 409,827	\$ 342	\$ 410,169
Other Governments	177,416	8	177,424
Vendors	1,134,096	56,178	1,190,274
Employees	117,205	3,254	120,459
Other	146,571	2	146,573
Total Accounts Payable	<u>\$ 1,985,115</u>	<u>\$ 59,784</u>	<u>\$ 2,044,899</u>
Accounts Receivable with expected date of receipt within one year:			
Taxpayers	\$ 1,233,667	\$ 2,023	\$ 1,235,690
Other Governments	917,893	4,474	922,367
Vendors	235,168	—	235,168
Customers	232,243	163,585	395,828
Other	1,664,082	226	1,664,308
	4,283,053	170,308	4,453,361
Accounts Receivable with expected date of receipt greater than one year:			
Taxpayers	1,591,572	—	1,591,572
Other Governments	24	—	24
Vendors	26,341	—	26,341
Customers	152,364	46	152,410
Other	27,556	—	27,556
	1,797,857	46	1,797,903
Accounts Receivable	6,080,910	170,354	6,251,264
Amounts not expected to be collected	(669,840)	—	(669,840)
Accounts Receivable, net	<u>\$ 5,411,070</u>	<u>\$ 170,354</u>	<u>\$ 5,581,424</u>

Note 14 - Deferred Inflows and Outflows

Deferred outflows of resources are defined as consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources are defined as acquisition of net assets by the government that is applicable to a future reporting period. Deferred outflows increase net position, similar to assets and deferred inflows decrease net position, similar to liabilities.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 14 - Deferred Inflows and Outflows (cont.)

The components of deferred outflows of resources and deferred inflows of resources reported in the government-wide financial statements as of June 30, 2021, are as follows (in thousands):

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Units
Deferred Outflows of Resources				
Pension Differences Between Expected and Actual Experience	\$ 5,548	\$ 99	\$ 5,647	\$ 56,934
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	396,194	11,609	407,803	54,743
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	17,162	741	17,903	6,074
Pension Changes in Assumptions	189,059	5,780	194,839	97,034
Pension Contributions Subsequent to the Measurement Date	626,095	10,074	636,169	70,123
OPEB Differences Between Expected and Actual Experience	71,975	3,110	75,085	18,756
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	4,842	209	5,051	2
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	442	20	462	51
OPEB Changes in Assumptions	236,276	—	236,276	3,002
OPEB Contributions Subsequent to the Measurement Date	95,946	1,842	97,788	32
Asset Retirement Obligation Amortization	792	—	792	52,444
Deferred for Refunding Bonds	17,106	—	17,106	19,627
Cash Flow Hedge	—	—	—	15,092
Total Deferred Outflows of Resources	\$ 1,661,437	\$ 33,484	\$ 1,694,921	\$ 393,914
Deferred Inflows of Resources				
Pension Differences Between Expected and Actual Experience	\$ 79,118	\$ 2,271	\$ 81,389	\$ 24,510
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	—	—	—	478,724
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	231	—	231	23,072
OPEB Differences Between Expected and Actual Experience	82,556	840	83,396	15,592
OPEB Changes in Assumptions	254,158	5,329	259,487	188,301
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	—	—	—	1,307
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	—	—	—	133
Deferred for Refunding Bonds	2,383	—	2,383	—
Charitable Annuities	—	—	—	16,163
Total Deferred Inflows of Resources	\$ 418,446	\$ 8,440	\$ 426,886	\$ 747,802

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 14 - Deferred Inflows and Outflows (cont.)

Deferred inflows and outflows of resources balances are as follows (in thousands):

Deferred inflows of resources on the governmental funds balance sheet as of June 30, 2021, are unavailable revenues. Unavailable revenues are those for which asset recognition criteria has not been met for governmental funds, which uses the modified accrual basis of accounting (in thousands):

Governmental Funds	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Governmental Funds	Total
Deferred Inflows of Resources						
Unavailable Revenue	<u>\$1,479,396</u>	<u>\$ 33,188</u>	<u>\$ 13,361</u>	<u>\$ 4,460</u>	<u>\$ 5,670</u>	<u>\$1,536,075</u>

Proprietary	State Lottery	Missouri Veterans' Homes	Non-Major Funds	Total Enterprise Funds	Governmental Activities – Internal Service Funds
Deferred Outflows of Resources					
Pension Differences Between Expected and Actual Experience	\$ 10	\$ 78	\$ 11	\$ 99	\$ 74
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	1,186	9,188	1,235	11,609	8,673
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	76	586	79	741	523
Pension Changes in Assumptions	591	4,574	615	5,780	4,318
Pension Contributions Subsequent to the Measurement Date	1,622	6,819	1,633	10,074	11,396
OPEB Differences Between Expected and Actual Experience	320	2,467	323	3,110	2,184
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	22	166	21	209	147
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	2	16	2	20	13
OPEB Contributions Subsequent to the Measurement Date	302	1,234	306	1,842	1,984
Total Deferred Outflows of Resources	<u>\$ 4,131</u>	<u>\$ 25,128</u>	<u>\$ 4,225</u>	<u>\$ 33,484</u>	<u>\$ 29,312</u>
Deferred Inflows of Resources					
Pension Differences Between Expected and Actual Experience	\$ 232	\$ 1,797	\$ 242	\$ 2,271	\$ 1,697
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	—	—	—	—	231
OPEB Differences Between Expected and Actual Experience	86	667	87	840	590
OPEB Changes in Assumptions	549	4,226	554	5,329	3,741
Total Deferred Inflows of Resources	<u>\$ 867</u>	<u>\$ 6,690</u>	<u>\$ 883</u>	<u>\$ 8,440</u>	<u>\$ 6,259</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 14 - Deferred Inflows and Outflows (cont.)

<u>Fiduciary</u>	Pension (And Other Employee Benefit) Trust Funds	Private- Purpose Trust Funds
Deferred Outflows of Resources		
Pension Differences Between Expected and Actual Experience	\$ —	\$ 1
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	—	95
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	—	6
Pension Changes in Assumptions	—	48
Pension Contributions Subsequent to the Measurement Date	—	131
OPEB Differences Between Expected and Actual Experience	329	26
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	22	2
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	273	—
Changes in Assumptions- OPEB	329	—
OPEB Contributions Subsequent to the Measurement Date	339	24
Total Deferred Outflows of Resources	\$ 1,292	\$ 333
Deferred Inflows of Resources		
Pension Differences Between Expected and Actual Experience	\$ —	\$ 18
OPEB Differences Between Expected and Actual Experience	106	8
OPEB Changes in Assumptions	726	44
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	97	—
Total Deferred Inflows of Resources	\$ 929	\$ 70

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 14 - Deferred Inflows and Outflows (cont.)

Component Units	College and Universities	Non-Major
Deferred Outflows of Resources		
Pension Differences Between Expected and Actual Experience	\$ 56,932	\$ 2
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	54,535	208
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	5,866	208
Pension Changes in Assumptions	96,931	103
Pension Contributions Subsequent to the Measurement Date	69,831	292
OPEB Differences Between Expected and Actual Experience	18,723	33
OPEB Net Differences Between Projected and Actual Earnings on Pension Plan Investments	—	2
OPEB Changes in Assumptions	3,002	—
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	—	51
OPEB Contributions Subsequent to the Measurement Date	—	32
Asset Retirement Obligation Amortization	52,444	—
Deferred for Refunding Bonds	19,627	—
Cash Flow Hedge	15,092	—
Total Deferred Outflows of Resources	\$ 392,983	\$ 931
Deferred Inflows of Resources		
Pension Differences Between Expected and Actual Experience	\$ 24,469	\$ 41
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	478,724	—
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	22,897	175
OPEB Differences Between Expected and Actual Experience	15,582	10
OPEB Net Differences Between Projected and Actual Earnings on Pension Plan Investments	1,307	—
OPEB Changes in Assumptions	188,243	58
Changes in Proportion and Differences Between OPEB Plan Contributions and Proportionate Share of Contributions	—	133
Charitable Annuities	16,163	—
Total Deferred Inflows of Resources	\$ 747,385	\$ 417

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 15 - Interfund Assets and Liabilities

A summary of interfund assets and liabilities at June 30, 2021, is shown below (in thousands of dollars):

	Due From Other Funds, Component Units, and Primary Government				
	Public Education	Conservation and Environmental Protection	Non-Major Governmental Funds	Non-Major Enterprise Funds	Internal Service Funds
Due to Other Funds, Component Units, and Primary Government					
General Fund	\$ —	\$ —	\$ —	\$ 28	\$ 6,880
Public Education	—	—	—	—	1
Conservation and Environmental Protection	—	—	—	123	230
Missouri Road Fund	—	—	—	—	332
Non-Major Governmental Funds	—	—	—	—	1,115
State Lottery	58,766	—	—	—	57
Unemployment Compensation	—	—	1,553	—	—
Missouri Veterans Homes	—	—	—	—	68
Non-Major Enterprise Funds	—	—	—	2	13
Internal Service Funds	—	—	—	1	202
Non-Major Component Units	—	10	—	—	1
Totals	<u>\$ 58,766</u>	<u>\$ 10</u>	<u>\$ 1,553</u>	<u>\$ 154</u>	<u>\$ 8,899</u>

Continues Below

	Pension (and OPEB) Trust Funds	Totals
Due to Other Funds, Component Units, and Primary Government		
General Fund	\$ —	\$ 6,908
Public Education	—	1
Conservation and Environmental Protection	—	353
Missouri Road Fund	—	332
Non-Major Governmental Funds	—	1,115
State Lottery	—	58,823
Unemployment Compensation	—	1,553
Missouri Veterans Homes	—	68
Non-Major Enterprise Funds	—	15
Internal Service Funds	40,225	40,428
Non-Major Component Units	—	11
Totals	<u>\$ 40,225</u>	<u>\$ 109,607</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 15 - Interfund Assets and Liabilities (cont.)

	Advance From Component Units
	Non-Major Component Units
Advance To Component Units	
Conservation and Environmental Protection	\$ 98

The loans from the component units were for animal waste treatment systems.

During the consolidation process for the Government-Wide Statement of Net Position, interfund payables and receivables were eliminated as follows: \$2,000 on the face of the Proprietary Funds Statements of Net Assets and governmental activities in the amount of \$8,760,000.

Note 16 - Interfund Transfers

All transfers must be legally authorized by the legislature through transfer appropriations. Interfund transfers for the fiscal year ended June 30, 2021, were as follows (in thousands of dollars):

	Transfers In:				
	General Fund	Public Education	Conservation and Environmental Protection	Missouri Road Fund	Non-Major Governmental Funds
Transfers Out:					
General Fund	\$ —	\$ 1,014,457	\$ 1,094	\$ 45,547	\$ 253,676
Public Education	29,933	—	—	—	—
Conservation and Environmental Protection	721	—	—	—	1,084
Non-Major Governmental Funds	15,008	5,000	—	506,627	5,694
State Lottery	—	394,349	—	—	—
Unemployment Compensation	639	—	—	—	5,961
Non-Major Enterprise Funds	30	—	—	—	648
Internal Service Funds	1,754	—	—	—	49
Totals	\$ 48,085	\$ 1,413,806	\$ 1,094	\$ 552,174	\$ 267,112

Continues Below

	Unemployment Compensation	Missouri Veterans' Homes	Non-Major Enterprise Funds	Internal Service Funds	Totals
Transfers Out:					
General Fund	\$ 329,228	\$ —	\$ 1,751	\$ 2,389	\$ 1,648,142
Public Education	—	—	—	—	29,933
Conservation and Environmental Protection	—	—	—	—	1,805
Non-Major Governmental Funds	—	6,000	—	—	538,329
State Lottery	—	—	—	—	394,349
Unemployment Compensation	—	—	—	—	6,600
Non-Major Enterprise Funds	—	—	—	—	678
Internal Service Funds	—	—	43	12	1,858
Totals	\$ 329,228	\$ 6,000	\$ 1,794	\$ 2,401	\$ 2,621,694

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 16 - Interfund Transfers (cont.)

Principal reasons for interfund transfers include:

- moving general revenue funds to support elementary and secondary education
- moving state lottery funds to support elementary and secondary education
- moving general revenue funds to support social assistance programs reported in non-major governmental funds
- moving funds related to the construction of capital assets

During fiscal year 2021, there were transfers of \$1,722,000 from the General Fund, special revenue funds, and capital projects funds to the enterprise funds. These are transfers of capital assets and reported as capital contributions in the enterprise funds and excluded from the governmental funds; therefore these transfers are not included in the reconciliation. This is because governmental funds use the modified accrual basis of accounting and therefore do not report capital assets on their financial statements.

There was a significant increase in transfers from the General Fund to Unemployment Compensation, due to a transfer of COVID Relief Fund moneys to the Unemployment Compensation fund to stabilize unemployment insurance funding impacted by the pandemic.

Note 17 - Restatements

During fiscal year 2021, additional information became available which required fund equity amounts. The following table presents a summary of these restatements by fund (in thousands of dollars):

	June 30, 2020 Fund Balance/Net Position Previously Reported	Prior Period Adjustments	June 30, 2020 Fund Balance/Net Position Restated
GOVERNMENTAL FUNDS			
Major Governmental Funds			
General Fund	\$ 2,664,929	\$ (143,095)	\$ 2,521,834
Public Education	253,977	1,040	255,017
Conservation and Environmental Protection	2,189,133	1,241	2,190,374
Missouri Road Fund	921,814	28,344	950,158
Non-Major Governmental Funds			
Special Revenue	545,656	4,107	549,763
Total Governmental Funds	<u>\$ 6,575,509</u>	<u>\$ (108,363)</u>	<u>\$ 6,467,146</u>
PROPRIETARY FUNDS			
Major Proprietary Funds			
Unemployment Compensation	\$ 753,228	\$ (3,303)	\$ 749,925
Missouri Veterans' Homes	(125,550)	(3,464)	(129,014)
Non-Major Proprietary Funds			
Enterprise	91,002	(5,263)	85,739
Internal Service	367,609	(4,074)	363,535
Total Proprietary Funds	<u>\$ 1,086,289</u>	<u>\$ (16,104)</u>	<u>\$ 1,070,185</u>
FIDUCIARY FUNDS			
Pension (And Other Employee Benefit)	\$ 12,900,794	\$ (573)	\$ 12,900,221
Private Purpose Trust	48,581	(992)	47,589
Custodial Funds	—	1,122,588	1,122,588
Total Fiduciary Funds	<u>\$ 12,949,375</u>	<u>\$ 1,121,023</u>	<u>\$ 14,070,398</u>
DISCRETELY PRESENTED COMPONENT UNITS			
College and Universities	\$ 6,079,048	\$ 492	\$ 6,079,540
Total Component Units	<u>\$ 6,079,048</u>	<u>\$ 492</u>	<u>\$ 6,079,540</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 17 - Restatements (cont.)

Breakdown of restatements by type:

- General Fund, the restatement was due to an decrease of cash and cash equivalents of \$183,000, a decrease of accounts receivable of \$327,000, an increase in accounts payable of \$147,936,000, and an increase in fund balance of \$5,351,000 due to the implementation of GASB Statement No. 84, *Fiduciary Activities*.
- Public Education, fund balance increased by \$1,040,000 due to the implementation of GASB Statement No. 84, *Fiduciary Activities*.
- Conservation and Environmental Protection, fund balances increased \$1,241,000 due to the implementation of GASB Statement No. 84, *Fiduciary Activities*.
- Missouri Road Fund, the restatement is due to an increase in cash and cash equivalents of \$26,816,000 and an increase of accounts receivable of \$1,528,000.
- Non-major special revenue funds, accounts receivable increased by \$3,303,000, inventories decreased by \$6,000, and fund balances increased by \$810,000 due to the implementation of GASB Statement No. 84, *Fiduciary Activities*.
- Unemployment Compensation, the restatement is due to an increase of accounts payable of \$3,303,000.
- Missouri Veterans' Homes, the restatement was due to an increase of capital assets (net of accumulated depreciation/amortization) of \$21,000 and an increase of bonds payable of \$3,485,000.
- Non-major enterprise funds, the restatement was due to an increase of investments of \$1,000, a decrease in accounts receivable of \$2,000, and a decrease of capital assets (net of accumulated depreciation/amortization) of \$5,262,000.
- Non-major internal service funds, the restatement was due to a decrease of accounts receivable of \$165,000, a decrease of capital assets (net of accumulated depreciation/amortization) of \$2,951,000, an increase of obligations under financed purchases of \$961,000, and a decrease of obligations under lease purchases of \$3,000.
- Pension (And Other Employee Benefit) Funds, the restatement was due to the implementation of GASB Statement No. 84, *Fiduciary Activities*, decreased net position by \$573,000.
- Private-Purpose Trust Funds, the restatement was due to the implementation of GASB Statement No. 84, *Fiduciary Activities*, decreased net position by \$992,000. The implementation of this standard reclassified the Johnson-Travis Memorial Trust Fund from a private-purpose trust fund to a governmental fund.
- Custodial Funds, the restatement was due to the implementation of GASB Statement No. 84, *Fiduciary Activities*, which increased net position by \$1,122,588,000. Custodial Funds are a new fund type per GASB Statement 84 and therefore did not have a net position previously reported.
- Discretely presented component units - colleges and universities, net position increased by \$492,000 due to the implementation of GASB Statement No. 84, *Fiduciary Activities*.

Purpose for restatements:

The items on the schedule were restated as a result of additional information received this year related to prior year corrections.

On the Government-Wide Statement of Activities, net position for the governmental activities were restated by the amounts shown on the restatement schedule for governmental funds and internal service funds. In addition, internal balance increased by \$18,000, capital assets (net of accumulated depreciation/amortization) decreased by \$8,359,000, obligations under financed purchase decreased by \$965,000, obligations under lease purchase increased by \$14,000, bonds payable decreased by \$3,485,000, and advance from other governments decreased by \$645,000. The restatement due to the implementation of GASB Statement No. 84, *Fiduciary Activities*, increased net position by \$7,000.

On the Government-Wide Statement of Activities, net position for the business-type activities were restated by the amounts shown on the restatement schedule for enterprise funds and by a decrease in internal balance of \$18,000.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 18 - Fund Deficit

The following funds had a deficit balance:

Enterprise Funds – State Lottery, Missouri Veterans’ Homes, and State Agency for Surplus Property, Internal Service Funds – Natural Resources Cost Allocation, Working Capital Revolving, Economic Development Administrative, and Professional Registration Fees, and Component Unit Funds – Missouri Wine and Grape – At June 30, 2021, these funds had a net position deficit of \$11,494,000, \$141,785,000, \$173,000, \$22,811,000, \$2,676,000, \$3,650,000, \$11,331,000, and \$570,000 respectively. These funds have deficit balances due to the fiscal year 2015 implementation of GASB 68 and the reporting of net pension liabilities and the fiscal year 2018 implementation of GASB 75 and the reporting of OPEB liabilities. It is expected that these liabilities will be funded over time.

Enterprise Fund – Petroleum Storage Tank Insurance – At June 30, 2021, this fund had a net position deficit of \$48,416,000. The deficit occurred when transport load fees collected were not sufficient to cover the estimated claims liability for clean up of petroleum storage tank leaks. This liability amount is the cumulative result of numerous years of petroleum storage tank leaks. Per Section 319.129, RSMo, this fund will not accept new claim liabilities after December 31, 2025, or upon revocation of federal regulation 40 CFR, whichever occurs first, unless extended by action of the General Assembly. Under Section 319.132, RSMo, the Board of Trustees has authority to increase the transport load fee to a maximum of \$60 per 8,000 gallons. In addition, under Section 319.133, RSMo, the Board can increase annual participation fees to a maximum of \$500 per tank per year. These facts, along with the knowledge that PSTIF’s claim reserves are set using very conservative assumptions, assure that adequate revenues will be available to meet its liabilities. Per Section 319.131, RSMo, the liability of the Petroleum Storage Tank Insurance Fund is not the liability of the State. Upon dissolution of this fund, the liability would be liquidated.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 19 - Tax Abatements

The State has entered into various agreements to provide tax abatement's through certain programs that provide economic benefit to the State.

Tax Abatement Program	Amount of Taxes Abated during Fiscal Year 2021 (in thousands)
Housing	
Missouri Low Income Housing Tax Credit	\$ 144,395
Neighborhood Preservation Tax Credit	7,012
Business Recruitment	
Missouri Quality Jobs	17,605
Missouri Works - Business Incentives	100,394
Missouri Works New Jobs Training	7,154
Missouri Works Job Retention Training	6,795
Missouri Manufacturing Jobs Act	16,112
Business Use Incentives for Large-Scale Development	12,343
Enhanced Enterprise Zone	1,151
Business Facility Tax Credit	13,271
Amateur Sports Ticket Sales Tax Credit	129
Rebuilding Communities Tax Credit	4
Development Tax Credit	413
Data Center Sales Tax Exemption	— *
Redevelopment	
Historic Preservation Tax Credit	118,212
Brownfield Remediation	21,382
TOTAL	\$ 466,372
Chapter 100 Personal Property Tax Exemption - maximum amount of state sales tax exemption over the terms of the leases for fiscal year 2021 projects	\$ 6,604

*Confidential

Housing

The Missouri Low Income Housing Tax Credit (MOLIHTC) is authorized by Sections 135.350-135.363, RSMo, and is a ten year tax credit which is available to qualified owners of affordable rental housing. To qualify upon application, a development must 1) rent at least 20% of its units to families earning 50% of the area median family income, 2) rent at least 40% of its units to families earning 60% of the area median family income, each adjusted for family size or 3) rents at least 40% of its units to families whose income does not exceed the income limitation designated for the respective unit, where the average of the income-designated units may not exceed 60% AMGI. The MOLIHTC generates equity investments that are purchased by the private sector for the development of new or rehabilitated rental housing which enables owners to lower rents to affordable levels for low-income families. The investor of the MOLIHTC can redeem the credit by applying it dollar for dollar to the following types of tax liabilities: income tax, corporate franchise tax, insurance premium tax, other financial institutions tax, or express company tax. MOLIHTC properties must comply with tenant eligibility, property maintenance, and fair housing law throughout a 15-year period. The Missouri Housing Development Commission monitors the properties for compliance and reports non-compliance to the Internal Revenue Service and Missouri Department of Revenue. Property owners found to be out of compliance are subject to recapture through the provisions of Section 135.355, RSMo and IRS §42. Redemptions were made on MOLIHTC's authorized/issued in prior years. The MOLIHTC reduced state taxes by \$144,395,000 during fiscal year 2021.

**STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2021

Note 19 - Tax Abatements (cont.)

The Neighborhood Preservation Tax Credit is authorized by Sections 135.475-135.487, RSMo, and provides incentives for homeowners in lower income areas who rehabilitate or construct owner-occupied homes in qualifying or eligible areas of the State. Upon application, the eligible property must be in a qualifying area with a median household income of less than 70% of the median household income for the metropolitan statistical area (MSA) or non-MSA; or be located in an eligible area with a median household income of 70-89% of the median household income for the applicable MSA or non-MSA. Recipients are eligible to receive a credit for 15% of eligible costs up to \$25,000 per residence for new residences in eligible areas; 15% of eligible costs up to \$40,000 per residence for new residences in qualifying areas; 25% of eligible costs with a minimum of \$10,000 and not to exceed \$25,000 per residence for substantial rehabilitation in eligible areas; 35% of eligible costs with a minimum of \$5,000 or 50% of purchase price and not to exceed \$70,000 per residence for substantial rehabilitation in qualifying areas; and 25% of eligible costs with a minimum of \$5,000 and not to exceed \$25,000 per residence for non-substantial rehabilitation in qualifying areas. The abatement's can be applied against income tax, corporate franchise tax, bank tax, insurance premium tax, or other financial institutions tax. A taxpayer, other than the owner-occupant who receives a certificate of tax credit, shall have 30 days within the date of the sale to furnish satisfactory proof that the residence was sold at market to the Director of the Department of Economic Development (DED). If the Director determines that the residence was not in good faith intended for long-term owner occupancy, then the Director may revoke any tax credits issued and seek recovery of those credits pursuant to Section 620.017, RSMo. There are no other commitments made as part of the agreement. The Neighborhood Preservation Tax Credit reduced state taxes by \$7,012,000 during fiscal year 2021.

Business Recruitment

Missouri Quality Jobs is authorized by Sections 620.1875-620.1890, RSMo and provides tax incentives to qualified companies for facilitating the creation of new jobs or the retention of existing jobs in the State. This program has been replaced by Missouri Works, except for current projects. To qualify, the company must create a minimum number of jobs within the project facility within 2 to 3 years after the approval of the Notice of Intent and must maintain those jobs for the duration of the benefit. The average wage of the new jobs must equal or exceed the average county wage and the company must offer health insurance and pay at least 50% of the premium. The company must also submit an annual report. Companies may retain 100% of withholding tax that would otherwise be paid into the State or receive tax credits based on the percentage of new payroll or a combination of both for the new or retained jobs approved. The credits can be applied against income tax, bank tax, insurance premium tax, or other financial institutions tax. There are no provisions for recapture and no other commitments are made as part of the agreement. Missouri Quality Jobs reduced state taxes by \$17,605,000 during fiscal year 2021.

The Missouri Works - Business Incentives is authorized by Sections 620.2000-620.2020, RSMo and provides tax incentives for qualified companies to create or retain jobs in the State. There are several sub-programs under this program with different qualifications for each. To qualify for the credits, a company must create or retain a minimum number of new jobs at the project facility with average wages of 80%, 90%, 100%, 120%, or 140% of the county average wage, depending upon the sub-program. The company must offer health insurance and pay at least 50% of the premium. The company must meet the requirement for new private capital investments, ranging from \$0 to \$500 million. The company must meet the required number of jobs at the applicable % of the county average wage within 2 years of the Approval of the Notice of Intent and must maintain those minimums for the duration of the benefit. The company must also submit an annual report documenting the jobs created, total payroll, and health insurance requirements. Companies may retain 100% of withholding tax that would otherwise be paid into the State or receive tax credits based on the percentage of new payroll or a combination of both for the new or retained jobs approved. The credits can be applied against income tax, bank tax, insurance premium tax, or other financial institutions tax. Taxes may be recaptured due to misrepresentation, out-of-state relocation, or failure to file an annual report. The agreement requires 100% of the benefits received to be repaid within 60 days for misrepresentation or out-of state location or one year for failure to file an annual report. There are no other commitments made as part of the agreement. Missouri Works - Business Incentives reduced state taxes by \$100,394,000 during fiscal year 2021.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

Note 19 - Tax Abatements (cont.)

Missouri Works New Jobs Training and Job Retention Training are authorized by Sections 620.800-620.809, RSMo. New Jobs Training provides assistance to eligible companies to train workers in newly created jobs. This program has an annual appropriation. For funding consideration, the company must create new jobs in the state; the project must include eligible training costs, as well as other eligibility criteria such as types of occupations, wage rates, and turnover rates. Job Retention Training provides training assistance to eligible companies for job retention efforts. To qualify, a project must be for an existing Missouri company making a capital investment of at least 5 times the total project costs, retaining at least 100 eligible jobs at the facility for at least one year, be located in a border community, or be determined to represent substantial risk of relocation. Eligible companies for both programs include manufacturing, research and development, or those engaged in interstate commerce. The company must retain the eligible jobs in the project for at least 5 years and use the funding only toward eligible project costs. These programs are administered locally through community colleges. While the recipient's taxes are not actually reduced, a portion of normal withholding payments (paid to the Department of Revenue) are deferred to pay for eligible project costs. The amount that can be deferred is 2.5% of the payroll for the first 100 jobs in the project and 1.5% of the payroll for the remaining jobs in the project. The company may file withholding claims for the project until the budgeted project funds are disbursed; typically for a period of 3-5 years, with maximum limit of 8 years. There are no other commitments under these programs. Recapture provisions apply in accordance with Section 620.017, RSMo in which the recipient shall repay training funds under these programs if the jobs included in the project are moved out of Missouri or are eliminated within five years of the date the project is approved by DED. The Director of the Division of Workforce Development within DED shall have the authority and discretion to exempt the recipient in whole or in part of such repayment. Missouri Works New Jobs Training and Job Retention Training reduced state taxes by \$7,154,000 and \$6,795,000, respectively, during fiscal year 2021.

The Missouri Manufacturing Jobs Act is authorized by Section 620.1910, RSMo and provides incentives in the form of retaining withholding taxes to expand manufacturing facilities for an existing product or the creation of a new product. This program sunset in 2016 and no new applications are being accepted. To qualify, manufacturing companies must have a North American Industry Classification System (NAICS) of 33611, which is an establishment primarily engaged in (1) manufacturing complete automobile and light duty motor vehicles or (2) manufacturing automobile and light duty motor vehicle chassis. The company must manufacture goods at a facility in the state throughout the period benefits are received, and make a capital investment at a facility of at least \$75,000 per retained job for the manufacture of a new product within 2 years of beginning to retain withholding taxes or commit to make a capital investment of at least \$50,000 per retained job at the facility for the modification or expansion of the manufacture of an existing product within 2 years of beginning to retain withholding taxes. Qualified suppliers of an eligible manufacturer must attest to DED that they derive more than 10% of its total annual sales revenue from sales to a qualified manufacturing company, add 5 or more new jobs for a period of 3 years, pay wages for the new jobs equal to or exceeding the county average wage using the NAICS industry classification, but are not less than 60% of the statewide average wage, and the company must offer health insurance and pay at least 50% of the premium. If qualified, the company is allowed to retain 100% of the withholding tax that would otherwise have been paid in to the state for those jobs for 10 years for qualified manufacturers or 3 to 5 years for qualified suppliers. There are no provisions for recapture and no other commitments are made as part of the agreement. The Missouri Manufacturing Jobs Act reduced state taxes by \$16,112,000 during fiscal year 2021.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 19 - Tax Abatements (cont.)

Business Use Incentives for Large-Scale Development (BUILD) is authorized by Sections 100.700-100.850, RSMo. The incentives offered by the BUILD Missouri Program are designed to offset infrastructure and other capital costs of certain large projects by making the cost of investing in Missouri more competitive. The costs are financed through the issuance of Board of Certificates (bonds or notes), where the principal and interest will be repaid by the business. Businesses are then reimbursed for these repayments through the issuance by the Board of Missouri state income tax credits. The businesses may use these credits against taxes, which would otherwise be due, or to obtain a refund if the business has insufficient Missouri income tax liability to offset the credit. A business can apply these credits against income tax, bank tax, insurance premium tax, or other financial institutions tax. To qualify, an eligible industry in manufacturing, processing, assembly, research and development, agricultural processing or services in interstate commerce must invest a minimum of \$15 million; or \$10 million for an office industry in an economic development project; and create a minimum of 100 new jobs at the project facility within 3 years, or a minimum of 500 jobs if the project is an office industry, or a minimum of 200 new jobs if the project is an office industry located within a distressed community as defined in Section 135.530, RSMo. The tax credits become subject to recapture if the company does not expend the minimum investment on or before the first test date established in the program agreement, or create and maintain the minimum number of new jobs on or before the first test date. The first test date is the last day of the closest calendar quarter ending 3 years following bond closing. The tax credits are also subject to recapture if the company eliminates or announces its intention to eliminate all the new jobs at the project within 2 years of the first test date. If subject to recapture, the company shall, within 30 days following written demand from the Board, reimburse the Board in full for the face amount of the tax credits received from the date of execution of the program agreement to the date of such demand. There are no other commitments made as part of the agreement. The BUILD program reduced state taxes by \$12,343,000 during fiscal year 2021.

The Enhanced Enterprise Zone is authorized by Sections 135.950-135.973, RSMo and provides tax credits to new or expanding businesses in enhanced enterprise zones. To qualify, a company must create or maintain at least 2 new jobs and make at least \$100,000 in eligible investments. In addition, a Notice of Intent must be approved by DED, and the business must submit an annual report. Eligibility for the credit is determined by the zone based on creation of sustainable jobs in a targeted industry or demonstrated impact on local industry cluster development. Taxes are reduced by claiming a tax credit against the Missouri income tax liability owed to the state. The tax credits are calculated at 2% of new payroll and 0.5% of new investment. There are no provisions for recapture and no other commitments are made as part of the agreement. The Enhanced Enterprise Zone reduced state taxes by \$1,151,000 during fiscal year 2021.

The Business Facility Tax Credit is authorized by Sections 135.100-135.150 and Section 135.258, RSMo and provides to facilitate the expansion of new or existing facilities in Missouri. To qualify, a Notice of Intent must be approved by DED; the facility must create at least 2 new jobs and make \$100,000 in eligible investments or pursuant to House Bill 191 (2009), for "headquarters" that commence operations and "headquarters" of certain "employee-owned" businesses that commence or expand operations must create 25 new jobs and make \$1,000,000 in new investment. The company must submit an annual report to DED. Taxes are reduced by claiming a tax credit against the Missouri tax liability owed to the state. The tax credits are calculated as \$75 to \$150 per new job and \$75 to \$150 for each \$100,000 in new investment for up to 10 years. The tax credits for headquarters are calculated as the greater of \$400 per new job plus 4% of new investment or \$500 per new job plus \$500 per each \$100,000 in new investment for up to 10 years. The credit may be applied against income tax, insurance premium tax, or insurance company retaliatory tax. This program has sunset as of January 1, 2005 except headquarters that commence or expand operations on or before January 1, 2025 may be eligible for the program. There are no provisions for recapture and no other commitments are made as part of the agreement. The Business Facility Tax Credit reduced state taxes by \$13,271,000 during fiscal year 2021.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 19 - Tax Abatements (cont.)

The Amateur Sports Ticket Sales Tax Credit is authorized by Section 67.3000, RSMo and provides an incentive to encourage the location of competitively bid amateur sporting events in Missouri. Upon application, applicants must submit predictions on the anticipated economic benefit to the state. Applicants will be evaluated based upon anticipated and verified economic performance. The program is available to one or more certified sponsors, endorsing counties, endorsing municipalities, or a local organizing committee, acting individually or collectively. The program provides tax credits equal to the lesser of: \$5 per admission ticket sold to the event; or 100% of eligible costs incurred by the applicant. The recipient is able to reduce their outstanding tax liability in an amount equal to the value of the tax credit and may be taken against income tax, bank tax, insurance premium tax, and other financial institutions tax. There are no provisions for recapture and no other commitments are made as part of the agreement. The Amateur Sports Ticket Sales Tax Credit reduced state taxes by \$129,000 during fiscal year 2021.

The Rebuilding Communities Tax Credit is authorized by Section 135.535, RSMo and provides a tax credit for eligible businesses locating, relocating, or expanding within a distressed community. This program has been replaced by Missouri Works, except for current projects. To qualify, a business must have fewer than 100 full-time employees, 75% of which must be located in the distressed community; be primarily engaged in manufacturing, biomedical, medical devices, scientific research, animal research, computer software design, computer software development or computer programming, which includes Internet, web hosting, and other information technology, wireless, wired or other telecommunications, or a professional firm. The business must submit an annual tax credit application documenting eligible expenditures on the project to DED. Once approved, the tax credit is calculated at 40% or 25% of the qualifying expenditures and may be applied against income tax, corporate franchise tax, bank tax, insurance premium tax, or other financial institutions tax. There are no provisions for recapture and no other commitments are made as part of the agreement. The Rebuilding Communities Tax Credit reduced state taxes by \$4,000 during fiscal year 2021.

The Development Tax Credit is authorized by Sections 32.100-32.125, RSMo and provides incentives to facilitate a business project in order to create new jobs. This program has been replaced by Missouri Works, except for current projects. Tax credits are issued to approved taxpayers that make an eligible donation to a non-profit corporation. The non-profit leases assets to an approved company. The company must create a specified number of jobs within 2 years and be in a distressed or blighted area. In many instances, the taxpayer that makes the donation is also the company that is creating the economic impact. The donor that makes the contribution must submit a tax credit application to DED. Once approved, taxes are reduced by claiming a tax credit against Missouri tax liability owed to the state. The tax credit is calculated at 50% of the eligible donation and may be applied against income tax, corporate franchise tax, bank tax, insurance premium tax, other financial institutions tax, or express company tax. No other commitments are made as part of the agreement. DED may recapture tax credits up to the amount issued if the non-profit fails to complete the project or comply with the agreement. The non-profits only and not the donors are subject to the recapture. The Development Tax Credit reduced state taxes by \$413,000 during fiscal year 2021.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 19 - Tax Abatements (cont.)

Chapter 100 Personal Property Tax Exemption is authorized by Section 144.054 (2), RSMo and provides a state and local sales tax exemption on tangible personal property leased by a company from the City or County. To qualify, cities and counties may apply to DED on behalf of eligible companies for which Chapter 100 bond proceeds are used to purchase tangible personal property, which is leased back to the company. DED may apply discretionary benefit exemption if the benefit contained in a formal DED proposal is accepted by the company. Since DED cannot enact the sales tax exemption on the lease without the underlying Municipality Chapter 100 in place, any inclusion in a formal DED proposal will be coordinated with the Municipality and their economic developer. The proposal must have been accepted by the company prior to any project announcements, no approval or issuance of the bonds may have taken place, and the tangible personal property may not have been purchased prior to the acceptance of the proposal. The project must also be competitive, have comprehensive local incentive participation, have above average wages with benefits, be located in an economically distressed or blighted area, have a positive state fiscal impact, and have an indication that the municipality has offered the local Chapter 100 exemptions. The company receives the exemption on sales tax as the facility, construction materials, and certain tangible personal property may be purchased as exempt by the City or County and then leased back to the company. The company will be responsible for the payment of sales tax on purchases exceeding the maximum accepted in the proposal, ineligible purchases, or the revenue stream generated by lease of ineligible personal property. There are no provisions for recapture and no other commitments are made as part of the agreement. The sales tax is applicable to the lease payments made over a period not to exceed 20 years by statute and restricted further by local ordinance. The sales tax exemptions are only applicable if tangible personal property purchases are made within established project time periods, as listed on the certificate. For fiscal year 2021, certificates were provided for the exemption of state sales tax related to lease payments of tangible personal property under a Chapter 100 structure for three projects. The fiscal year 2021 project certificates total a cumulative amount of state sales tax not to exceed \$6,604,000 over the terms of the respective leases.

Data Center Sales Tax exemption is authorized by Section 144.810, RSMo and incentivizes the location and expansion of data centers in the state by providing an exemption of the sales and use taxes associated with a variety of activities necessary to build a new facility or expand an existing facility. To qualify, companies must create 5 new jobs and \$5 million in investment for expanding facilities or create 10 new jobs and \$25 million in investment for new facilities within certain time frames. A company is refunded their sales and use taxes for new purchases related to the data center project for the period prior to meeting the threshold for participation and then are exempt for a period of no more than 10 years for expanding facilities or 15 years for a new facility. Taxes may be subject to recapture if the full investment projected is not met or if the jobs created are not maintained, causing the cost/benefit to the State to be negative, or if the company does not meet the minimum thresholds. Taxes will be recaptured up to the amount that creates a positive cost/benefit to the state, or if the company does not meet the minimum thresholds, the full exemptions to date must be repaid. No other commitments are made as part of the agreement. The amount that state taxes were reduced is confidential under Section 32.057, RSMo.

Redevelopment

The Historic Preservation Tax Credit is authorized by Sections 253.545-253.561, RSMo and provides an incentive for the redevelopment of commercial and residential historic structures in the state. Upon application, the eligible property must be listed on the National Register of Historic Places, be certified by the Department of Natural Resources (DNR) as contributing to the historical significance of a certified historic district listed on the National Register, or located within a local historic district that has been certified by the U.S. Department of Interior. The costs and expenses associated with the rehabilitation must exceed 50% of the total basis of the property. All approved applicants must commence rehabilitation within 2 years of the date of issuance of the letter of approval from DED. The program provides state tax credits equal to 25% of eligible costs and expenses of the rehabilitation of approved historic structures, which the recipient is able to use to reduce their outstanding tax liability in an amount equal to the value of their tax credit. The credit may be applied against income tax, bank tax, insurance premium tax, or other financial institutions tax. There are no provisions for recapture and no other commitments are made as part of the agreement. The Historic Preservation Tax Credit reduced state taxes by \$118,212,000 during fiscal year 2021.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 19 - Tax Abatements (cont.)

Brownfield Remediation is authorized by Sections 447.700-447.718, RSMo and provides incentives to businesses or developers to redevelop property contaminated with hazardous waste. To qualify, the property must be abandoned or underutilized for at least 3 years, and contaminated with hazardous substance, the applicant cannot be a responsible party, the project must be accepted into DNR Voluntary Cleanup Program, the project must be endorsed by city or county government, must create at least 10 new jobs or retain 25 jobs, the project must create a positive net state economic benefit, and must demonstrate need for the credits. The recipient is able to reduce their outstanding tax liability in an amount equal to the value of the tax credit. The tax credits may be issued for up to 100% of eligible costs and expenses for remediating the project property. The tax credit may also include up to 100% of the costs of demolition that are not directly part of the remediation activities. The amount of the credit available for demolition not associated with remediation cannot exceed the total amount of credits approved for remediation including demolition required for remediation. DED will issue 75% of the credits upon adequate proof of payment of the costs; the remaining 25% will not be issued until a clean letter has been issued by DNR. The tax credits may be applied against income tax, corporate franchise tax, bank tax, insurance premium tax, or other financial institutions tax. The tax credits may be subject to recapture in the event the owner sells the abandoned or underutilized property within a 5 year period after the receipt of remediation tax credits, grants, loans or loan guarantee. Subject to Sections 447.700-447.718, RSMo, the owner shall repay a portion of the tax credits and grant funds provided based on the percentage of the owner's investment for the project to DED's total financial assistance, upon achieving an annual internal rate of return of 25%. The internal rate of return calculation shall be documented by the owner's capital gains tax calculation. Owner investment is equity and debt for the eligible project. At the end of the project, a purchaser who has performed voluntary remediation action certifies to DNR that the goals of the purchaser's voluntary remediation plan have been attained. DNR verifies the remediation plan goals are achieved and issues a certificate that states that the site has been cleaned up to DNR standards pertaining to the property itself and therefore protects both current and future owners of the property. Brownfield Remediation reduced state taxes by \$21,382,000 during fiscal year 2021.

Note 20 - Commitments

Contracts

The Department of Conservation had contracts outstanding of \$794,000 for construction and \$1,035,000 for land acquisition contracts at June 30, 2021. These contracts are funded through special revenue funds from specific sales tax, fees, and permits.

The Department of Natural Resources had contracts outstanding of \$52,000 for construction and \$5,000 for land acquisition contracts at June 30, 2021. These projects are funded through the General Fund, a special revenue fund, and an enterprise fund.

The Department of Transportation had long-term contracts of \$999,699,000 outstanding at June 30, 2021. These contracts are paid from capital projects funds with approximately 73% federal reimbursement expected.

The Office of Administration, Division of Facilities Management, Design and Construction, had construction contracts outstanding at June 30, 2021 of \$50,526,000. Approximately 48.4% will be paid from the General Fund, 22.9% from special revenue funds, 24.8% will be paid from the capital projects funds, and 3.8% will be paid from an enterprise fund.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 20 - Commitments (cont.)

On March 10, 1988, the State of Missouri entered into a contract with the United States Army Corps of Engineers confirming an assurance agreement of April 8, 1965. The State obtained rights to a portion of the water supply storage from the Clarence Cannon Dam and Mark Twain Lake Project. The State agreed to pay up to \$11.2 million plus interest for the investment costs allocated to the water supply storage, the amount of such payments to be determined by the portion of the water storage space put in use by the State for that purpose. The contract provided a ten year interest free period running from 1984 to 1994. In fiscal year 1995, the State began making interest payments. The interest payment amount for fiscal year 2021 was \$364,000. Payment of principal and interest must be completed by March 2038.

As of June 30, 2021, the University of Missouri had outstanding commitments for the usage and ongoing support of the University Health System's information technology environment totaling \$287,017,000. The payments are as follows:

2022	\$	28,488,000
2023		29,439,000
2024		30,420,000
2025		31,434,000
2026		32,079,000
2027-2030		135,157,000

Truman State University had approximately \$671,000 in outstanding commitments for various construction contracts at June 30, 2021.

Southeast Missouri State University had outstanding commitments of approximately \$7,340,000 related to construction contracts at June 30, 2021.

Missouri State University had approximately \$26,500,000 in outstanding commitments for various construction contracts at June 30, 2021.

University of Central Missouri had approximately \$4,467,000 in outstanding commitments related to construction contracts at June 30, 2021.

Northwest Missouri State University had approximately \$5,297,000 in outstanding commitments related to various construction contracts at June 30, 2021.

Note 21 - Risk Management and Insurance

The State is exposed to various risks of loss related to tort, general, motor vehicle, and contractor liability and injuries to employees. The State assumes its own liability for risks except for the purchase of surety bond, aircraft, and boiler coverage. The State's Office of Administration (OA), Risk Management Unit, self-insures its workers' compensation program for all state employees, with the exception of the Missouri Department of Transportation (MoDOT) and the State Highway Patrol. Liability insurance is also provided by OA-Risk Management, pursuant to state statute, through the State's Legal Expense Fund, which is a component of the General Fund in this report. This insurance covers all state employees.

The Workers' Compensation and Legal Expense Fund claims liability is based upon actual claims that have been submitted to OA-Risk Management. Incurred but not reported (IBNR) liability is not included since workers' compensation and liability insurance claims are reported timely, and therefore any potential IBNR liability amount would be considered immaterial. The State has not had any insurance settlements exceed the coverage. OA-Risk Management also procures property insurance for approximately 3% of all state buildings, with the remainder uninsured. The buildings are insured through purchased property insurance and through the Property Preservation Fund. Buildings insured through the Property Preservation Fund are backed with bonded debt through the Board of Public Buildings.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 21 - Risk Management and Insurance (cont.)

The Transportation Self-Insurance Plan covers workers' compensation for employees of MoDOT and the State Highway Patrol, and covers vehicle liability and general liability insurance for the employees of MoDOT. The Transportation Self-Insurance Plan is presented as an internal service fund. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Estimated pending self insurance claims represent the expected losses to be realized on known claims pending and include minor non-incremental claims adjustment expenses. Estimated unreported claims represent expected losses or claims incurred but not reported. Amounts are reported based on actuarial calculations. Liabilities for incurred losses related to workers' compensation and general and vehicle liability claims are reported at their discounted value, assuming an investment yield of 2.0%.

The Missouri Consolidated Health Care Plan (MCHCP) provides health care insurance to all state employees, except for MoDOT, the State Highway Patrol, and the Department of Conservation. The Plan for active employees is presented as an internal service fund. Estimated claims payable is based on known medical claims pending as well as an estimate of IBNR claims from data provided by an actuary.

The MoDOT and MSHP Medical and Life Insurance Plan (MHPML) accounts for the medical coverage provided on a self-insured basis and life insurance benefits, for employees of MoDOT and the State Highway Patrol. The Plan is presented as an internal service fund. Estimated claims payable is established from an actuarial report, which is based on data by MoDOT and claims administrators.

The Conservation Employees' Insurance Plan (CEIP) provides health care and life insurance to employees of the Department of Conservation. The Plan is presented as an internal service fund. Estimated claims payable is based on known claims pending as well as an estimate of IBNR claims.

The Petroleum Storage Tank Insurance Fund (PSTIF) has claims liability for the cost of contamination cleanup for participants and other eligible site owners who have submitted notice of a contamination. The PSTIF is presented as a non-major enterprise fund.

The University of Missouri System provides workers' compensation, liability, and medical insurance for its employees. The University funds this through a combination of self-insurance and commercially purchased insurance. The amount of coverage is based upon analysis of historical information and actuarial estimates. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. The claims liability is the present value of the claims, using discount rates ranging between 1.00% and 3.50% based on expected future investment yield assumptions. The University of Missouri System is included with college and universities as a major component unit of the State.

Missouri State University is exposed to various risks of loss. These include loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accidental benefits. Commercial insurance coverage is purchased for claims arising from such matters other than those related to general liability, workers' compensation, natural disasters, and employee health benefits. Settled claims have not exceeded the commercial coverage in any of the three preceding years. Additional coverage is provided through the State Self-Insurance Program, through the Risk Management Unit of the Office of Administration. The State of Missouri self-insures the workers' compensation benefits for all state employees, including University employees.

Southeast Missouri State University is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, business interruption, errors and omissions, employee injuries and illnesses; natural disasters and employee health and accident benefits. The University purchases commercial insurance and also receives coverage through the State of Missouri for these risks of loss. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 21 - Risk Management and Insurance (cont.)

Changes in the balances of claims liability (in thousands of dollars) during the current and prior fiscal years are as follows:

	Type of Insurance Claims	Fiscal Year Claims Liability 6/30/2020	Current Year Claims and Estimated Changes	Claim Payments	Fiscal Year Claims Liability 6/30/2021
Governmental Activities					
OA Workers Compensation Fund	Workers Comp. Liability	\$ 23,241	\$ 26,059	\$ (29,740)	\$ 19,560
OA Legal Expense Fund		2,943	407	(831)	2,519
Transportation Self-Insurance Plan	Workers Comp. and Liability	68,845	27,191	(18,223)	77,813
MCHCP	Health Care	42,598	450,589	(450,439)	42,748
MHPML	Health Care	10,500	135,107	(133,707)	11,900
CEIP	Health Care	2,881	18,140	(18,299)	2,722
Total Governmental Activities		<u>\$ 151,008</u>	<u>\$ 657,493</u>	<u>\$ (651,239)</u>	<u>\$ 157,262</u>
Business-Type Activities					
PSTIF	Contamination Cleanup	<u>\$ 85,163</u>	<u>\$ 10,651</u>	<u>\$ (8,601)</u>	<u>\$ 87,213</u>
Component Units					
University of Missouri System	Workers Comp. and Liability	\$ 89,328	\$ 225,118	\$ (222,714)	\$ 91,732
Missouri State University	Health Care, Workers Comp. and Liability	2,167	24,615	(24,667)	2,115
Southeast Missouri State University	Workers Comp. and Liability	1,719	8,510	(9,001)	1,228
Total Component Units		<u>\$ 93,214</u>	<u>\$ 258,243</u>	<u>\$ (256,382)</u>	<u>\$ 95,075</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 21 - Risk Management and Insurance (cont.)

	Type of Insurance Claims	Fiscal Year Claims Liability 6/30/2019	Current Year Claims and Estimated Changes	Claim Payments	Fiscal Year Claims Liability 6/30/2020
<u>Governmental Activities</u>					
OA Workers Compensation Fund	Workers Comp. Liability	\$ 26,566	\$ 28,451	\$ (31,776)	\$ 23,241
OA Legal Expense Fund		3,074	540	(671)	2,943
Transportation Self-Insurance Plan	Workers Comp. and Liability	75,246	12,115	(18,516)	68,845
MCHCP	Health Care	42,820	439,516	(439,738)	42,598
MHPML	Health Care	9,600	125,442	(124,542)	10,500
CEIP	Health Care	2,929	19,892	(19,940)	2,881
Total Governmental Activities		<u>\$ 160,235</u>	<u>\$ 625,956</u>	<u>\$ (635,183)</u>	<u>\$ 151,008</u>
<u>Business-Type Activities</u>					
PSTIF	Contamination Cleanup	<u>\$ 82,438</u>	<u>\$ 13,985</u>	<u>\$ (11,260)</u>	<u>\$ 85,163</u>
<u>Component Units</u>					
University of Missouri System	Workers Comp. and Liability	\$ 85,270	\$ 224,830	\$ (220,772)	\$ 89,328
Missouri State University	Health Care, Workers Comp. and Liability	2,715	25,126	(25,674)	2,167
Southeast Missouri State University	Workers Comp. and Liability	—	4,183	(2,464)	1,719
Total Component Units		<u>\$ 87,985</u>	<u>\$ 254,139</u>	<u>\$ (248,910)</u>	<u>\$ 93,214</u>

Risk Management Pool:

The State of Missouri participates in the property program of the Midwestern Higher Education Compact (MHEC) as defined in Section 173.700, RSMo. This program was formed to expand coverage, reduce costs, and stabilize property insurance rates over extended time periods at higher education institutions in all member states. The program offers loss limit coverage tailored to individual institutions as well as self-insured retention by institution. The MHEC Risk Management Oversight Committee directs the major operations of the program overseeing the development of program policies, premium allocations, new program memberships, and selection of program administrators and insurance underwriters.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 22 - Pollution Remediation and Landfill Closure and Postclosure

The State has an obligation to address current or potential detrimental effects of existing pollution by participating in pollution remediation activities.

The Missouri Department of Natural Resources (DNR) was compelled to assess and oversee the cleanup of contaminated sites subject to federal law under the Resource Conservation and Recovery Act (RCRA), also known as the Superfund Law, administered by the U.S. Environmental Protection Agency (EPA). Under this law, the State is required to pay or ensure payment of 10% of the costs of remediation action and 100% of the costs of operations and maintenance at sites where the party responsible for the contamination is unknown, uncooperative, or insolvent. Similarly, Section 260.371.7, RSMo, states that the public should bear a portion of the cost to pay for the State's share of Superfund cleanup to be appropriated from general revenue. At the end of fiscal year 2021, the State was participating in the cleanup of seventeen Superfund sites. Total pollution remediation obligation for these sites totaled approximately \$48.1 million. The basis for these costs are State Superfund contracts that list the estimated cost of cleanup, or actual costs if cleanup is complete, less any payments that have been made to the EPA. Estimated costs will change as actual costs become available. The Hazardous Waste Fund is a component of Conservation and Environmental Protection.

The Missouri Department of Transportation (MoDOT) is in remediation activities related to buildings and grounds caused by contamination and a fuel leak. The current pollution remediation obligation for these sites total approximately \$4.0 thousand. The potential for additional pollution remediation exists, however, any future remediation obligations are not yet estimable.

The Department of Public Safety, Office of the Adjutant General, has been named as a potentially responsible party in the Pools Prairie Superfund site in Newton County, Missouri. The site is listed on the National Priorities List (NPL) and is governed by the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). At this time, the Department of Public Safety's portion of the costs for the cleanup cannot be determined.

Changes in the balances of pollution remediation liability (in thousands of dollars) during the current fiscal year are as follows:

Governmental Activities	Type of Pollution Remediation	Fiscal Year Remediation Liability 6/30/2020	Current Year Assessments and Estimated Changes	Payments	Fiscal Year Remediation Liability 6/30/2021	Due Within One Year
DNR	Superfund Sites	\$ 48,260	\$ 1,139	\$ (1,269)	\$ 48,130	\$ 2,142
MoDOT	Buildings and Grounds Remediation	4	—	—	4	—
Total Governmental Activities		<u>\$ 48,264</u>	<u>\$ 1,139</u>	<u>\$ (1,269)</u>	<u>\$ 48,134</u>	<u>\$ 2,142</u>

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 22 - Pollution Remediation and Landfill Closure and Postclosure (cont.)

Each landfill owner/operator is required to obtain a financial assurance instrument, which is held by the State as security in the case of a default or forfeiture. Financial assurance instruments can include financial guarantee or performance bonds, letters of credit, insurance policies, corporate guarantees, contracts of obligations, trust funds, and escrow accounts. At June 30, 2021, the DNR, Solid Waste Program tracked the value of the secured financial assurance instruments held by the State to be \$353.7 million. This amount is disclosed, but not reported in the financial statements, because the State does not perform the investment function and does not have significant administrative involvement. While the State maintains possession of the financial assurance instruments, it does not meet criteria to be reported in a fiduciary fund.

As of June 30, 2021, Missouri Department of Natural Resources (DNR) had eleven active Municipal Solid Waste Landfills (MSWLFs), no disposal transfer stations, and there was none in bankruptcy and no defaults. The owners/operators failed to properly close or maintain post-closure care for these facilities; therefore, the State took possession of the forfeited financial assurance instruments to initiate the closure or post-closure activities as required by Section 260.228, RSMo. The State will monitor and pay post-closure care costs of these facilities for the next 30 years in accordance with the DNR Solid Waste Management Law and Regulations. At June 30, 2021, it is expected that \$1.4 million will be paid over the remaining monitoring periods. This is the amount of the assigned fund balance that has been designated on the General Fund balance sheet for forfeited assets. The percentage of landfill capacity used to date is 35 percent. The estimated remaining landfill life is 106.32 years.

The University of Missouri System has been working with the Voluntary Cleanup Program at DNR to characterize subsurface contamination on a University owned property. The University received the results of the two-year sampling process in fiscal year 2016. The University is awaiting a determination from DNR. The site is now on the National Regulatory Commission (NRC) license and must be decommissioned. Upon further review of the documents, the University determined that it does not believe that the documents support the decision to add the site to the NRC license due to an overestimated quantity of isotopes managed at the site. The University made a formal request to remove the site from the NRC license. NRC responded with a request for more information, including a dose assessment, which is estimated at a cost of \$15.0 thousand. If the NRC finds the dose assessment to be unacceptable, then the University will be required to fully decommission the site, including a sampling plan. The cost of a sampling plan to characterize the chemical contamination is estimated at \$1.0 million. The University has not commenced any actions requiring the recognition of a liability for this property.

Note 23 - Asset Retirement Obligations

The State has a legally enforceable obligation to perform future asset retirement obligations (ARO) related to its tangible capital assets.

The Missouri Department of Natural Resources (DNR) has a total ARO of \$1,720,000 for gas chromatographs, radiation detectors, petroleum above ground storage tanks, and permitted sewage treatment plants. Gas chromatographs and radiation detectors are considered radioactive sources and will not be accepted by the State's Surplus Property Program, thus requiring a cost for disposition. These ARO's are measured at the current cost of returning the items to the vendor. Gas chromatographs have remaining useful lives of 2 to 8 years and radiation detectors have remaining useful lives of 0 to 7 years. The ARO for petroleum above ground storage tanks is measured using the best estimate for taking the tanks out of service, which consists of emptying the tanks, removing the secondary containment, and proper disposal. Remaining useful lives of the tanks are 0 to 14 years. Aboveground storage tanks are regulated under the Missouri Code of State Regulations 2 CSR 90-30.050.16. The ARO for permitted sewage treatment plants is measured using the best estimate for closure of the facilities, which includes submitting a closure plan to DNR addressing wastewater and sludge removal, dewatering activities, removal of treatment structures, and removal of solid waste or leaving in place as a clean fill. Remaining useful lives of the plants is 0 to 46 years. Permitted sewage treatment plants are regulated by the Missouri Code of State Regulations 10 CSR 20-6-011.12 and the Federal Clean Water Act. The ARO for these items would be funded by state appropriations.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 23 - Asset Retirement Obligations (cont.)

The Missouri Department of Transportation (MoDOT) has an ARO of \$51,000 to properly dispose of all nuclear gauges used to measure physical properties of materials during its construction projects. The ARO is measured using the current cost of returning the items to the vendor and the assets have remaining estimated useful lives of 14 years. Disposal of the nuclear gauges is required by the Nuclear Regulatory Commission - NUREG 1556 Volume 1 Rev 2. The ARO will be funded by state appropriations.

The Department of Public Safety (DPS), Office of the Adjutant General, has an ARO of \$30,000 to take two underground storage tanks out of service. The ARO is measured using the current cost for closure and the assets have estimated remaining useful lives of 23 years. Underground storage tanks are regulated under the Missouri Code of State Regulations 10 CSR 26. The ARO will be funded by state appropriations.

The University of Missouri (MU) has an ARO based on its ownership of two nuclear research reactors, which are regulated by the U.S Nuclear Regulatory Commission (NRC). The NRC requires the University to submit decommissioning funding plans every three years to retain the right to operate the reactors. The decommissioning funding plans update and adjust changes in costs to remediate and the extent of the estimated future contamination. The cost to decommission the reactors is based on a formula as set forth by the NRC as part of the licensing of the facilities. The ARO as of the end of fiscal year 2021 was \$62,433,000. The remaining useful lives of the reactors was 21 years.

The balances of the asset retirement obligations (in the thousands of dollars) during the current fiscal year are as follows:

<u>Governmental Activities</u>	<u>ARO Liability at June 30, 2021</u>
DNR	\$ 1,718
MoDOT	51
DPS	30
Total Governmental Activities	<u>\$ 1,799</u>
 <u>Business-Type Activities</u>	
DNR	<u>\$ 2</u>
 <u>Component Units</u>	
MU	<u>\$ 62,433</u>

Note 24 - Contingencies

Contingent Claims Liabilities

Contingent claims liabilities are reported when it is probable a loss has occurred and the amount can be reasonably estimated. These losses include estimates of claims which have been incurred but not reported, including the effects of specific, incremental claim adjustment expenditures/expenses, salvage, subrogation, and other allocated or unallocated claim adjustment expenditures/expenses. Liabilities of governmental funds are reported as a reconciling item to the Government-Wide Statement of Net Position. Expenditures are recognized as payments are made.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 24 - Contingencies (cont.)

As of June 30, 2021, the amount of contingent liabilities was \$43.5 million. Changes in reported liability since June 30, 2020, resulted from the following (in thousands of dollars):

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance Fiscal Year End
2020-2021	\$ 27,830	\$ 21,113	\$ (5,473)	\$ 43,470
2019-2020	30,405	7,859	(10,434)	27,830
2018-2019	48,923	13,628	(32,146)	30,405

Section 287.220.8, RSMo, requires an actuarial study of the Second Injury Fund be made every year to determine solvency of the fund. Figures presented below for current year claims and changes in estimates are based on the 2020 actuarial study. As at June 30, 2021, the amount of liabilities for Second Injury Fund was \$2.2 billion. Changes in reported liability since June 30, 2020, resulted from the following (in thousands of dollars):

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance Fiscal Year End
2020-2021	\$ 2,174,003	\$ 140,206	\$ (70,541)	\$ 2,243,668
2019-2020	2,071,889	178,673	(76,559)	2,174,003
2018-2019	1,953,168	213,020	(94,299)	2,071,889

The State receives federal grants which are subject to review and audit by federal grantor agencies. This could result in requests for reimbursements by the grantor agency for expenditures disallowed under grant agreements. The State believes such disallowances, if any, would be immaterial in the next fiscal year.

Tort Claim Lawsuits:

The Attorney General, on behalf of other state agencies, is involved in litigation for tort claims including wrongful death, motor vehicle accidents, medical malpractice, assault and battery, and deliberate indifference, as well as employment discrimination claims not included in the 2021 liability amount. It is reasonably possible an adverse court decision may incur an estimated loss of \$4.8 million.

Department of Social Services:

Little Sisters of the Poor v. Department of Social Services, No. 18AC-CC00262 (Cole County Circuit Court). This petition for review was filed on July 12, 2018, by 335 nursing facilities participating in the MO HealthNet program. They claim that the reduction of a per diem reimbursement rate by the department was invalid and contrary to the department's own regulation. The Cole County Circuit Court entered an order and judgment on May 22, 2019, concluding the department had violated its own regulation, the Medicaid Act requirements that apply to rate reductions, and the Equal Protection Clauses of the United States and Missouri Constitutions. If upheld, the resulting cost to the department and the State would be approximately \$44 million. The State filed a notice of appeal on June 28, 2019 and the Missouri Court of Appeals reversed and remanded the case to allow plaintiff to amend its petition. The Department of Social Services filed its answer to plaintiffs' amended petition on April 26, 2021. Trial was set for October 1, 2021 in the Cole County Circuit Court. There was no final decision. The actual final liability, if any, is unliquidated and not reasonably ascertainable.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 24 - Contingencies (cont.)

Department of Health and Senior Services:

The Nurse Student Loan Program provides forgivable student loans to eligible Missouri undergraduate, graduate, post-graduate, and doctoral nursing students in exchange for service in underserved communities and facilities in the state. Current annual award levels, based on statute, are a one-time amount of \$2,500 for LPN students and \$5,000 for professional nursing students. Loans are repaid either through service in an underserved area, or via cash repayment at 9.5% simple interest. For repayment via service, participants provide one year of professional service for each school year a loan is received, up to a maximum of 5 years. The number of loans awarded per year varies based upon available funding, number of previous students anticipating continued funding, and number of eligible new applicants.

The Health Professional Student Loan Program is a competitive state program that awards forgivable loans to students pursuing health care training leading to Missouri licensure. Eligible disciplines are primary care physicians, primary care dentists, and dental hygienists. The amount of funding provided depends upon the student's chosen discipline and educational status. Repayment of loans can be completed either through obtaining employment to earn forgiveness or through cash repayment at 9.5% simple interest. Forgiveness is based upon the number of loans received and is earned at a rate of one year of professional service for each loan received, up to a maximum of 5 years. Qualifying employment is considered as full-time, direct patient care at a facility located in an area of need also referred to as a Health Professional Shortage Area.

The purpose of the Missouri Health Professional State Loan Repayment Program (SLRP) is to improve access to primary care by assisting rural and underserved communities with recruitment and retention of primary care providers. SLRP offers eligible healthcare providers an opportunity to receive up to \$50,000 in financial assistance towards the repayment of their qualifying educational loans in exchange for a minimum two-year commitment to provide healthcare services at an ambulatory public, nonprofit or private nonprofit primary care practice site located in a federally designated Health Professional Shortage Area (HPSA).

The Missouri Nurse Loan Repayment Program (NLRP) offers Registered Nurses (RNs) and Advanced Practice Registered Nurses (APRNs) an opportunity to receive financial assistance towards the repayment of their qualifying educational loans in exchange for a minimum two-year commitment to provide healthcare services in an area of defined need in the State of Missouri.

For all types of loan programs, in the event of a default, i.e. the loanee does not complete the service agreement, the loan status changes to repayment. In the event the loanee does not repay according to the terms of their agreement, the Department of Health and Senior Services will work with the Attorney General's Office to try to collect the outstanding receivables. The current total amount of loans outstanding is \$6.4 million; the total amount in repayment is \$2.1 million. There is no correlation between who will or will not repay their debt once a default has occurred since it is subject to each individual case and the legal remedies pursued. Therefore the amount of loss cannot be reasonably estimated.

Department of Corrections Settlements:

Hootselle v. Department of Corrections, No. 12AC-CC00518 (Cole County Circuit Court). This lawsuit was filed on August 14, 2012 by several corrections officers alleging that the Missouri Department of Corrections failed to compensate them for pre- and post-shift activities, including passing through security checkpoints and retrieving equipment such as keys and radios. The officers' union was later added as a plaintiff and asserted claims for breach of its collective bargaining agreement. Following a jury trial on the plaintiffs' breach of contract claims in August 2018, the court entered judgment against the State and for the class of \$113.7 million. The State filed a notice of appeal and the Missouri Court of Appeals affirmed the judgment. The case was transferred to the Supreme Court of Missouri and argued, but the decision has not yet been handed down. The ultimate resolution of the case on appeal cannot be predicted with any degree of certainty.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 24 - Contingencies (cont.)

Tobacco Master Settlement Agreement:

Under the 1998 Tobacco Master Settlement Agreement ("MSA"), Missouri receives annual settlement payments in perpetuity from Participating Manufacturers ("PMs") of tobacco products. Each year on or about April 15th, Missouri receives an annual payment typically between \$120 and \$140 million. Annual MSA payments are subject to a downward adjustment if the PMs lose more than 2% of their pre-MSA market share to Non-Participating Manufacturers ("NPMs"). Individual states may avoid their share of this "NPM Adjustment" by enacting and diligently enforcing model legislation, which imposes certain escrow obligations on NPMs.

The tobacco manufacturers contest Missouri's enforcement of the model legislation for 2004 and subsequent years, each of which is subject to binding arbitration. Arbitration regarding diligent enforcement for 2004 is ongoing. The state appointed arbitrator passed away in August 2019 and the state parties have selected another arbitrator who will begin reviewing the evidence and hear additional matters and argument in 2020. If the panel finds that Missouri was not diligent in 2004, the State will face a downward adjustment on the annual payment following the panel's determination. The ultimate resolution of the 2004 proceeding, the timing of the panel's decision, and the outcome of any subsequent arbitration proceedings between the tobacco manufacturers and Missouri cannot be predicted with any degree of certainty.

Contingent Gains

Contingencies that might result in gains are not reported on the statements since they are not realizable.

Natural Resource Settlements:

The Department of Natural Resources works jointly with the United States Fish and Wildlife Service and United States Forest Service to recover damages from parties responsible for causing injuries to natural resources. Funds from these settlements are typically held in the federal treasury in a joint account administered by the United States Department of Interior. Expenditures of these funds may only be by mutual agreement of the Missouri Trustee Council (the Department of Natural Resources, the United States Fish and Wildlife Service and, at times, United States Forest Service) and such funds may only be used to restore, replace, or acquire natural resources similar to those that were injured. As of June 30, 2021, the balance of Missouri-related joint settlement funds in the Department of Interior restoration fund is approximately \$47.8 million.

Note 25 - Nonexchange Financial Guarantees

The following nonexchange financial guarantees are extended by the Missouri Agricultural and Small Business Development Authority (MASBDA) and the Missouri Department of Agriculture (MDA). The exchange financial guarantees are not recognized as a liability, which indicates that the State will most likely not be required to make a payment related to the nonexchange financial guarantees. As of June 30, 2021, the State extends the following financial guarantees:

Programs	Maximum Guarantee Period	Total Number of Loans Outstanding	Total Dollar Amount of Loans Outstanding (in thousands)	Total Dollar Amount Guaranteed by the State (in thousands)
Missouri Value-Added Loan Guarantee Program	10 Years	1	\$ 124	\$ 62
Single-Purpose Animal Facilities Loan Guarantee Program	10 Years	3	246	123
Crop and Livestock Loan Guarantee Program	2 Years	13	34	17

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 25 - Nonexchange Financial Guarantees (cont.)

Missouri Value-Added Loan Guarantee Program

The Missouri Value-Added Loan Guarantee Program, authorized in Sections 348.400-348.415, RSMo, provides up to a 50% first-loss guarantee on loans, of \$250,000 or less, made by lenders for the purpose of agricultural business development. The loan guarantee is for a duration of up to 10 years. The program is intended to create new economic activity by creating or retaining jobs. Loans guaranteed by the value-added loan guarantee program can be used to finance agricultural property, which includes land, buildings, structures, improvements, and equipment used for the purpose of processing, manufacturing, marketing, exporting, or adding value to an agricultural product. Loans may also be guaranteed to buy stock in a new generation processing entity that processes an agricultural product. In the event of a default, the MASBDA will work with the Attorney General's Office or the loan recipient's bank to try to collect. As of June 30, 2021, there are four loan defaults under this program. The outstanding balance on judgments for amounts owed to the State totals \$50,200.

Single-Purpose Animal Facilities Loan Guarantee Program

The Single-Purpose Animal Facilities Loan Guarantee Program, authorized in Sections 348.185-348.225, RSMo, is designed to provide banks and other lenders with a 50% first-loss guarantee on loans of up to \$250,000 for up to 10 years. Independent livestock producers may use the loans to finance, refinance or restructure breeding or feeder livestock, earthworms, land, buildings, facilities, equipment, machinery and animal waste systems for producing poultry, swine, beef and dairy cattle, or other livestock. In the event of a default, the MASBDA will work with the Attorney General's Office or the loan recipient's bank to try to collect. There were no loan defaults under this program in fiscal year 2021.

Crop and Livestock Loan Guarantee Program

The Crop and Livestock Loan Guarantee Program, authorized in Section 261.027(3), RSMo, is a 50% guarantee on a loan made to a 4-H and Future Farmers of America (FFA) member who borrows money to purchase livestock, input, etc., for their Supervised Agriculture Education (SAE) project. Loans eligible for the program are limited to the purchase of livestock, feed, seed, fertilizer, and other miscellaneous out-of-pocket expenses directly related to the project. In the event of a default, the MDA will work with the Attorney General's Office or the loan recipient's bank to try to collect. As of June 30, 2021, there are four loan defaults under this program. The outstanding balance on judgments for amounts owed to the State totals \$1,500.

Note 26 - Joint Ventures

The Regional Convention and Sports Complex Authority was created by state law for the purpose of financing, constructing, operating, and maintaining a multipurpose convention and sports facility to be located in the City of St. Louis. The Authority operates under a board of commissioners of whom five are appointed by the Governor of the State, three by the County Executive of St. Louis County, and three by the Mayor of the City of St. Louis. The Authority is granted all rights and powers necessary to plan, finance, construct, equip, and maintain the facility.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 26 - Joint Ventures (cont.)

The Authority is considered a joint venture of the State, County, and City because it constitutes a contractual agreement for public benefit in which the State, County, and City retain an ongoing financial responsibility for the Convention and Sports Facility Project Bonds. In August 1991, the Authority issued \$258,670,000 of Convention and Sports Facility Project Bonds. The bonds were sponsored in the amount of \$132,910,000 by the State (Series A), \$65,685,000 by the County (Series B), and \$60,075,000 by the City (Series C). In December 1993, the Authority issued \$181,885,000 in Convention and Sports Facility Project and Refunding Bonds to advance refund \$101,410,000 and \$50,275,000 of the outstanding 1991 Series A and Series B bonds, respectively, and for additional construction costs. The bonds were sponsored in the amount of \$121,705,000 by the State (Series A) and \$60,180,000 by the County (Series B). In February 1997, the Authority issued \$61,285,000 in Series C refunding bonds to advance refund \$47,155,000 of the outstanding 1991 Series C bonds. In August 2003, the Authority issued \$116,030,000 of Convention and Sports Facility Project and Refunding Bonds Series A 2003 to refund \$2,845,000 and \$113,170,000 of Series A 1991 and Series A 1993 refunding bonds, respectively, and for additional construction costs. In May 2007, the Authority issued \$49,585,000 in Series C 2007 refunding bonds to refund \$61,285,000 of original principal of the Series C 1997 refunding bonds. In August 2013, the Authority issued \$65,195,000 in Series A 2013 refunding bonds to refund \$65,385,000 of Series A 2003 bonds and issued \$32,560,000 in Series B 2013 refunding bonds to refund \$32,180,000 of Series B 2003 bonds.

Pursuant to a financing agreement entered into in August 1991, and terminating in August 2021, the Authority leased the facility to the sponsors who subleased the facility back to the Authority. The payments made by the State, County, and City under the financing agreement are sufficient to pay the principal and interest on the bonds. See *Note 11* for the specific debt service requirements that make up the State's ongoing financial responsibility for this joint venture.

Summary financial information for the Authority as of and for the fiscal year ended December 31, 2020, is presented below (in thousands of dollars):

Total Assets	\$ 150,974
Total Deferred Outflows of Resources	65
Total Assets and Deferred Outflows of Resources	<u>\$ 151,039</u>
Total Liabilities	\$ 24,391
Total Net Position	126,648
Total Liabilities and Net Position	<u>\$ 151,039</u>
Total Revenues	\$ 24,833
Total Expenses	13,266
Net Increase in Net Position	<u>\$ 11,567</u>

Copies of the Authority's financial statements may be requested from:

St. Louis Regional Convention
and Sports Complex Authority
901 North Broadway
St. Louis, Missouri 63101

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2021

Note 27 - Endowments

Donor-restricted endowments for Missouri reside primarily within the higher education institutions, which are reported as a major component unit of the State. For the college and universities, except the University of Missouri, the net appreciation/depreciation of the endowments is \$11,773,000. Of this amount, \$1,932,000 is reported as restricted non-expendable, \$9,834,000 is reported as restricted expendable, and \$7,000 is reported as unrestricted net position. The University of Missouri reported a net appreciation/depreciation of restricted non-expendable net position in the amount of \$434,396,000 which consisted of both realized and unrealized gains and losses on investment. For detailed information on the college and universities, please see the individual financial statements. The Revised Statutes of Missouri authorize the acceptance of donations at State agencies or public institutions. The governing boards of these institutions and the donor agreements determine whether net appreciation can be spent and the acceptable spending rate as detailed in Section 402.134, RSMo. These policies are entity specific and vary with each institution.

Note 28 - Conduit Debt

As of June 30, 2021, the Missouri Development Finance Board issued \$1,637,968,000 in Private Activity Bonds and \$2,628,549,000 in Public Purpose and Refunding Revenue Bonds. The outstanding balances on these bonds and notes as of June 30, 2021, were approximately \$302,715,000 and \$837,779,000, respectively. The Missouri Development Finance Board and the State have no liability for repayment of these revenue bonds and funding notes aside from reserve fund deposits and, accordingly, these bonds and notes have not been recorded as a liability on the financial statements for the Missouri Development Finance Board. The debtor pays all debt service requirements. Security for the bondholders consists of insurance, letters of credit, annual appropriation pledges, and certain funds held through trustees under the various indentures.

As of June 30, 2021, the State Environmental Improvement and Energy Resources Authority (EIERA), a component unit of the State of Missouri, had an outstanding balance of approximately \$728,830,000 in Tax Exempt Revenue Bonds. Of this outstanding amount, \$381,503,000 is for Water Pollution Control and Drinking Water Revenue Bonds issued on behalf of the Department of Natural Resources. The State of Missouri has no liability for repayment of these revenue bonds beyond the resources provided by related loan programs. The bonds are limited obligations of EIERA.

Note 29 - Subsequent Events

Bonds

In November 2021, the Board of Public Buildings of the State of Missouri issued \$60,885,000 of Taxable Special Obligation Bonds, Series A 2021. The bonds bear interest from 0.30% to 2.70%, due in semi-annual installments beginning April 1, 2022. The bonds were issued to provide funds to finance the renovation, improvement and equipping of various park buildings and structures for the Missouri Department of Natural Resources and pay the costs of issuing the bonds.

On December 15, 2021, the Missouri Highways and Transportation Commission (MHTC) issued \$88,955,000 of Third Lien State Road Bonds, Series A 2021. The bonds bear interest of 5.00%, due in semi-annual installments beginning May 1, 2022. The bonds were issued for the purpose of paying the costs of construction and reconstruction of the State Highway System and paying the costs related to the issuance of the Series A 2021 bonds.

STATE OF MISSOURI
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2021

Note 29 - Subsequent Events (cont.)

Medicaid Expansion

A citizen initiative to expand Medicaid in the State (the "Missouri Medicaid Initiative") was certified for the ballot, appeared on the August 4, 2020 primary ballot and was passed by the voters. The Missouri Medicaid Initiative amended the State Constitution to, among other things, expand Medicaid eligibility in Missouri to adults who are between the ages of 19 and 65 and whose income is at or below 133% of the federal poverty line, as set forth in the Affordable Care Act. In January 2021, the costs of Medicaid expansion for the first year of implementation were estimated to total \$1.9 billion for all funds, including \$129.4 million for general revenue. Litigation over the lack of funding was filed and ultimately the state Supreme Court determined the appropriation bill did not limit the State's ability to enact Medicaid expansion and remanded the case to the circuit court to enter a judgement for the plaintiffs.

On August 10, 2021, the state circuit court ordered the state to begin enrolling Medicaid expansion-eligible individuals into the state's Medicaid program and on August 11, 2021, the Governor announced the state would begin accepting applications for the new Medicaid eligibility category immediately. As of the date of this report, the General Assembly has not appropriated funds for the voter-approved Medicaid expansion.

American Rescue Plan Act of 2021

On March 11, 2021, *The American Rescue Plan Act of 2021 (ARPA)* was signed into law to provide additional funding for economic recovery as the COVID-19 Pandemic continues, the State received \$1.57 billion to be used for State and Local Fiscal recovery.

Missouri State University

On July 6, 2021, the University issued \$17,710,000 Series B bonds through a private placement with Capital One. The bonds bear interest payable semiannually at 2.69% and are secured by certain revenue generated from educational facilities. Principal maturity begins October 1, 2022, and continues until October 1, 2039. Proceeds from the issuance of these bonds were used to advance refund the Series 2014A bonds with maturities commencing October 1, 2022 and continues until October 1, 2039.

Missouri Southern State University

On September 29, 2021, the University issued \$20,775,000 of Series 2021 Auxiliary Enterprise System Bonds for the purpose of refunding the outstanding Series 2014A and 2014B Bonds. The Series 2021 Bonds mature in four tranches in 2026, 2031, 2034, and 2044, yielding between 2.41% and 3.48%. The issuance resulted in a premium of \$1,113,000 and economic savings over the life of the bonds of approximately \$1,300,000.



***Required Supplementary Information (RSI)** includes the Budgetary Comparison Schedule for the General Fund and Major Special Revenue Funds, as well as the Budget to Generally Accepted Accounting Principles (GAAP) reconciliation, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of Proportionate Share of the Net Pension Liability, Schedule of State Contributions, Schedule of Changes in Total OPEB Liability and Related Ratios, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Proportionate Share of the Collective Net OPEB Liability, and the Notes to RSI on Budgetary Reporting.*

STATE OF MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND, MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	General Fund*			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Beginning Budgetary Fund Balance	\$ 3,556,540	\$ 3,556,540	\$ 3,556,540	\$ —
Resources (Inflows):				
Taxes:				
Sales and Use	2,316,050	2,379,958	2,431,357	51,399
Individual Income	8,494,947	8,729,352	8,917,875	188,523
Corporate Income	760,261	781,240	798,111	16,871
County Foreign Insurance	289,115	297,093	303,509	6,416
Beer	7,181	7,379	7,538	159
Liquor	30,604	31,449	32,128	679
Cigarette	—	—	—	—
Reimbursement/Miscellaneous	246,158	252,949	258,413	5,464
Total Taxes	12,144,316	12,479,420	12,748,931	269,511
Licenses, Fees, and Permits	97,064	99,726	101,605	1,879
Sales	2,646	2,716	2,710	(6)
Leases and Rentals	2	2	2	—
Services	884,225	884,410	531,058	(353,352)
Contributions and Intergovernmental	19,207,461	19,261,031	12,348,631	(6,912,400)
Interest	26,004	26,519	23,967	(2,552)
Penalties and Unclaimed Property	27,475	27,919	23,705	(4,214)
Cost Reimbursement/Miscellaneous	1,910,895	1,915,549	1,217,254	(698,295)
Transfers In	6,764,554	6,761,934	3,423,469	(3,338,465)
Total Resources (Inflows)	41,064,642	41,459,226	30,421,332	(11,037,894)
Amount Available for Appropriation	44,621,182	45,015,766	33,977,872	(11,037,894)
Charges to Appropriations (Outflows):				
Current:				
General Government	3,455,611	3,456,714	2,114,979	1,341,735
Education	7,315,630	7,976,212	4,681,690	3,294,522
Natural and Economic Resources	512,567	1,089,760	561,735	528,025
Transportation and Law Enforcement	2,070,044	3,029,164	1,586,218	1,442,946
Human Services	15,858,023	16,921,411	14,740,437	2,180,974
Debt Service	84,971	85,108	66,841	18,267
Transfers Out	8,759,560	8,759,639	5,395,715	3,363,924
Total Charges to Appropriations	38,056,406	41,318,008	29,147,615	12,170,393
Ending Budgetary Fund Balance	\$ 6,564,776	\$ 3,697,758	\$ 4,830,257	\$ 1,132,499
Reconciling Items:				
Reclassifying Cash Equivalents as Investments			(2,972,079)	
Investments at Fair Value			2,989,538	
Receivables, Net			3,265,826	
Due from Other Funds			—	
Due from Component Units			—	
Inventories			110,483	
Advance to Component Units			—	
Accounts Payable			(1,638,189)	
Accrued Payroll			(58,720)	
Due to Other Funds			(6,908)	
Unearned Revenue			(217,112)	
Escheat/Unclaimed Property			(125,762)	
Deferred Inflows of Resources			(1,479,396)	
Fund Balance - GAAP Basis			\$ 4,697,938	

*Beginning fund balance was restated due to the implementation of GASB Statement No. 84.

Public Education*				Conservation and Environmental Protection*			
Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 138,562	\$ 138,562	\$ 138,562	\$ —	\$ 713,547	\$ 713,547	\$ 713,547	\$ —
1,342,650	1,342,650	995,421	(347,229)	262,706	262,706	240,774	(21,932)
16,600	16,600	12,307	(4,293)	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
74,471	74,471	55,212	(19,259)	—	—	—	—
466,600	466,600	345,930	(120,670)	4,735	4,735	4,340	(395)
1,900,321	1,900,321	1,408,870	(491,451)	267,441	267,441	245,114	(22,327)
3,202	3,202	2,374	(828)	100,064	100,064	91,710	(8,354)
—	—	—	—	8,336	8,336	7,640	(696)
—	—	—	—	101	101	93	(8)
—	—	—	—	—	—	—	—
18,786	18,786	13,928	(4,858)	80,088	80,088	73,402	(6,686)
2,003	2,003	1,485	(518)	51,765	51,765	47,444	(4,321)
1,610	1,610	1,193	(417)	2,861	2,861	2,622	(239)
77,548	77,548	57,493	(20,055)	129,332	129,332	118,535	(10,797)
1,778,900	1,771,161	1,739,814	(31,347)	1,130	1,124	1,117	(7)
3,782,370	3,774,631	3,225,157	(549,474)	641,118	641,112	587,677	(53,435)
3,920,932	3,913,193	3,363,719	(549,474)	1,354,665	1,354,659	1,301,224	(53,435)
438	606	273	333	3,887	4,106	3,459	647
2,886,102	2,883,211	2,712,365	170,846	—	—	—	—
27,180	27,180	14,065	13,115	963,226	929,258	439,203	490,055
305	305	178	127	1,006	1,005	789	216
15,849	15,623	4,791	10,832	1,760	1,760	1,578	182
—	—	—	—	—	—	—	—
435,891	435,668	407,808	27,860	64,646	64,219	55,866	8,353
3,365,765	3,362,593	3,139,480	223,113	1,034,525	1,000,348	500,895	499,453
\$ 555,167	\$ 550,600	\$ 224,239	\$ (326,361)	\$ 320,140	\$ 354,311	\$ 800,329	\$ 446,018
		(117,701)				(557,000)	
		119,846				555,932	
		152,624				1,606,126	
		58,766				—	
		—				10	
		124				228	
		—				98	
		(2,147)				(19,388)	
		(163)				(5,067)	
		(1)				(353)	
		—				(173)	
		—				—	
		(33,188)				(13,361)	
		\$ 402,399				\$ 2,367,381	

STATE OF MISSOURI
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY REPORTING
June 30, 2021

Budgetary Presentation:

A Budgetary Comparison Schedule is presented as Required Supplementary Information for the State's General Fund and Major Special Revenue Funds. Revenues and expenditures are reported on a budgetary basis where actual revenues are recognized when cash is received, and actual expenditures are recognized for cash disbursements. The accounting principles applied for reporting on a budgetary basis differ from those used to present the financial statements in accordance with GAAP. A reconciliation of the two for the fiscal year ended June 30, 2021, has been presented at the bottom of the Budgetary Comparison Schedule.

The budgetary expenditures are included in the current year's Appropriation Activity Report, which demonstrates legal compliance with the current year's budget. This report can be viewed at <http://oa.mo.gov/accounting/reports/annual-reports/appropriation-activity-reports>. The original budget expenditures and transfers are for what was originally appropriated for each fund. The final budget expenditures and transfers takes into account any increases and decreases to appropriations during the fiscal year less the Governor's amounts reverted (withheld) for each fund less any reappropriations to the next fiscal year.

Once a year, the Office of Administration-Division of Budget and Planning receives budgeted revenues from state agencies for each of their funds as well as a revised revenue estimate in the spring for the State's General Revenue Fund. The revised revenue estimate is used in the final budget column for the General Fund and is very comparable to actual revenue resulting in a small negative variance on this Schedule.

In accordance with State statute, all state funds must have an appropriation before amounts can be expended or transferred to another state fund; therefore, variances between budgeted and actual expenditures and transfers out on the budgetary schedule will always be positive.

For budget purposes, interfund activity is not eliminated. A summary of interfund eliminations at June 30, 2021, is shown below (in thousands):

	Final Budget Transfer		Actual Transfer	
	In	Out	In	Out
GENERAL FUND	\$ 6,284,895	\$ (6,284,895)	\$ 3,153,896	\$ (3,153,896)
SPECIAL REVENUE FUNDS				
Public Education	402,277	(402,277)	375,324	(375,324)
TOTAL	<u>\$ 6,687,172</u>	<u>\$ (6,687,172)</u>	<u>\$ 3,529,220</u>	<u>\$ (3,529,220)</u>

Budgetary Control:

Budgetary control is maintained at the departmental level; each Department of the Missouri government formulates a budget to be submitted for approval by the General Assembly prior to the beginning of the fiscal year. These budgets are prepared essentially on the cash basis. The legislature reviews, revises, and legally adopts these budgets. The Governor then has the authority to approve or veto each budget, subject to legislative override.

Budgeted expenditures cannot exceed estimated revenues and other sources of funding, including beginning fund balances. In the event that actual revenues are insufficient to cover budgeted expenditures, the Governor must order budget reductions or call a special session of the legislature to address the issue.

Unexpended appropriations lapse at the end of each appropriation year, unless reappropriated to the following appropriation year.

STATE OF MISSOURI
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FISCAL YEARS 2015-2021
(In Thousands of Dollars)

	2021**	Judicial Plan* 2020**	2019**
Total Pension Liability			
Service Cost	\$ 13,120	\$ 13,574	\$ 12,997
Interest on the Total Pension Liability	42,459	41,711	41,019
Benefit Changes	—	—	—
Differences between Expected and Actual Experience	(14,934)	979	(1,320)
Changes in Assumptions	6,341	5,024	12,332
Benefit Payments, including member refunds	(39,622)	(37,593)	(35,657)
Disability Premiums	—	—	—
Transfers to Other Retirement Systems	—	—	—
Net Change in Total Pension Liability	7,364	23,695	29,371
Total Pension Liability - Beginning	617,484	593,789	564,418
Total Pension Liability - Ending (a)	624,848	617,484	593,789
Plan Fiduciary Net Position			
Contributions - Employer	39,174	38,605	36,892
Contributions - Employee	1,314	1,138	902
Pension Plan Net Investment Income	8,163	6,056	10,678
Benefit Payments, including member refunds	(39,622)	(37,593)	(35,657)
Disability Premiums	—	—	—
Pension Plan Administrative Expense	(74)	(72)	(181)
Net Transfers	—	—	—
Other	—	—	(69)
Net Change in Plan Fiduciary Net Position	8,955	8,134	12,565
Beginning*	158,334	150,200	137,635
Plan Fiduciary Net Position - Ending (b)	167,289	158,334	150,200
Net Pension Liability - Ending (a) - (b)	\$ 457,559	\$ 459,150	\$ 443,589
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	 26.77 %	 25.64 %	 25.3 %
Covered Payroll	\$ 61,321	\$ 60,594	\$ 59,417
 Net Pension Liability as a Percentage of Covered Payroll	 746.18 %	 757.74 %	 746.73 %

*After post-valuation adjustments.

**Based on a measurement date and actuarial valuation as of the end of the preceding fiscal year. The measurement date is as of June 30, except University of Missouri Retirement System which is based on a measurement date of October 1.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

2018**	2017**	2016**	2015**
\$ 12,946	\$ 10,932	\$ 10,614	\$ 8,990
40,617	37,755	36,162	34,014
—	—	—	—
(10,687)	(5,037)	5,103	13,361
7,906	53,991	—	—
(33,985)	(32,989)	(31,246)	(29,407)
—	—	—	—
—	—	—	—
16,797	64,652	20,633	26,958
547,621	482,969	462,336	435,378
564,418	547,621	482,969	462,336
34,247	33,642	32,696	29,265
787	661	488	295
4,680	28	(3,610)	21,395
(33,985)	(32,989)	(31,246)	(29,407)
—	—	—	—
(150)	(137)	(123)	(106)
—	—	—	—
—	—	—	—
5,579	1,205	(1,795)	21,442
132,056	130,851	132,646	111,204
137,635	132,056	130,851	132,646
\$ 426,783	\$ 415,565	\$ 352,118	\$ 329,690
24.39 %	24.11 %	27.09 %	28.69 %
\$ 58,592	\$ 57,421	\$ 55,656	\$ 49,588
728.40 %	723.72 %	632.66 %	664.86 %

This Schedule is continued on pages 146-149.

Missouri Department of Transportation and Highway Patrol Employees' Retirement System			
	2021**	2020**	2019**
Total Pension Liability			
Service Cost	\$ 44,048	\$ 43,971	\$ 46,621
Interest on the Total Pension Liability	274,791	271,174	286,457
Benefit Changes	—	—	(7)
Differences between Expected and Actual Experience	3,495	204	(37,173)
Changes in Assumptions	—	—	142,556
Benefit Payments, including member refunds	(263,507)	(256,091)	(254,634)
Disability Premiums	(1,641)	(1,616)	(1,602)
Transfers to Other Retirement Systems	(2,458)	(2,111)	(2,823)
Net Change in Total Pension Liability	54,728	55,531	179,395
Total Pension Liability - Beginning	4,037,370	3,981,839	3,802,444
Total Pension Liability - Ending (a)	4,092,098	4,037,370	3,981,839
Plan Fiduciary Net Position			
Contributions - Employer	210,872	210,167	204,955
Contributions - Employee	6,547	5,996	5,001
Pension Plan Net Investment Income	(10,668)	154,327	197,620
Benefit Payments, including member refunds	(263,507)	(256,091)	(254,634)
Disability Premiums	(1,641)	(1,616)	(1,602)
Pension Plan Administrative Expense	(4,291)	(4,373)	(4,693)
Net Transfers	1,026	322	(956)
Other	—	—	(936)
Net Change in Plan Fiduciary Net Position	(61,662)	108,732	144,755
Plan Fiduciary Net Position - Beginning*	2,423,262	2,314,530	2,169,775
Plan Fiduciary Net Position - Ending (b)	2,361,600	2,423,262	2,314,530
Net Pension Liability - Ending (a) - (b)	\$ 1,730,498	\$ 1,614,108	\$ 1,667,309
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	 57.71 %	 60.02 %	 58.13 %
Covered Payroll	\$ 363,980	\$ 362,748	\$ 353,751
 Net Pension Liability as a Percentage of Covered Payroll	 475.44 %	 444.97 %	 471.32 %

This Schedule is continued from page 145.

2018**	2017**	2016**	2015**
\$ 45,713	\$ 45,441	\$ 45,358	\$ 44,740
283,569	280,432	275,285	270,526
—	—	—	—
(37,287)	(39,810)	(13,324)	(17,614)
—	—	—	—
(246,939)	(236,687)	(237,013)	(227,977)
(1,620)	(1,568)	(1,555)	(1,532)
(2,725)	(1,921)	(3,147)	(1,876)
40,711	45,887	65,604	66,267
3,761,733	3,715,846	3,650,242	3,583,975
3,802,444	3,761,733	3,715,846	3,650,242
206,563	199,609	200,639	183,354
4,892	3,483	3,294	2,260
220,302	21,432	92,646	319,446
(246,939)	(236,687)	(237,013)	(227,977)
(1,620)	(1,568)	(1,555)	(1,532)
(4,516)	(4,370)	(4,067)	(3,736)
(981)	808	(2,033)	(92)
—	—	—	—
177,701	(17,293)	51,911	271,723
1,992,074	2,009,367	1,957,456	1,685,733
2,169,775	1,992,074	2,009,367	1,957,456
\$ 1,632,669	\$ 1,769,659	\$ 1,706,479	\$ 1,692,786
57.06 %	52.96 %	54.08 %	53.63 %
\$ 356,515	\$ 344,635	\$ 342,265	\$ 336,591
457.95 %	513.49 %	498.58 %	502.92 %

This Schedule is continued on pages 148-149.

	University of Missouri Retirement System		
	2021**	2020**	2019**
Total Pension Liability			
Service Cost	\$ 65,786	\$ 66,239	\$ 62,845
Interest on the Total Pension Liability	336,697	323,553	312,921
Benefit Changes	—	—	—
Differences between Expected and Actual Experience	(10,821)	68,943	23,046
Changes in Assumptions	—	—	—
Benefit Payments, including member refunds	(283,941)	(265,991)	(241,020)
Disability Premiums	—	—	—
Transfers to Other Retirement Systems	—	—	—
Net Change in Total Pension Liability	107,721	192,744	157,792
Total Pension Liability - Beginning	4,764,367	4,571,623	4,413,831
Total Pension Liability - Ending (a)	4,872,088	4,764,367	4,571,623
Plan Fiduciary Net Position			
Contributions - Employer	115,006	118,234	115,980
Contributions - Employee	14,981	16,484	15,989
Pension Plan Net Investment Income	1,056,355	28,604	183,826
Benefit Payments, including member refunds	(283,941)	(265,991)	(241,020)
Disability Premiums	—	—	—
Pension Plan Administrative Expense	—	—	—
Net Transfers	—	—	—
Other	—	—	—
Net Change in Plan Fiduciary Net Position	902,401	(102,669)	74,775
Plan Fiduciary Net Position - Beginning*	3,654,744	3,757,413	3,682,638
Plan Fiduciary Net Position - Ending (b)	4,557,145	3,654,744	3,757,413
Net Pension Liability - Ending (a) - (b)	\$ 314,943	\$ 1,109,623	\$ 814,210
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	93.54 %	76.71 %	82.19 %
Covered Payroll	\$ 1,116,123	\$ 1,227,342	\$ 1,187,435
Net Pension Liability as a Percentage of Covered Payroll	28.22 %	90.41 %	68.57 %

This Schedule is continued from page 147.

2018**	2017**	2016**	2015**
\$ 63,624	\$ 66,269	\$ 68,328	\$ 70,574
305,781	296,885	288,438	275,762
—	—	—	—
11,704	(22,741)	(38,227)	13,226
257,616	—	—	—
(233,083)	(211,036)	(203,300)	(182,488)
—	—	—	—
—	—	—	—
405,642	129,377	115,239	177,074
4,008,189	3,878,812	3,763,573	3,586,499
4,413,831	4,008,189	3,878,812	3,763,573
92,200	96,631	99,454	103,895
15,299	15,218	14,976	14,486
322,297	364,486	6,646	36,412
(233,083)	(211,036)	(203,300)	(182,488)
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	(2,150)
196,713	265,299	(82,224)	(29,845)
3,485,925	3,220,626	3,302,850	3,332,695
3,682,638	3,485,925	3,220,626	3,302,850
\$ 731,193	\$ 522,264	\$ 658,186	\$ 460,723
83.43 %	86.97 %	83.03 %	87.76 %
\$ 1,146,836	\$ 1,144,412	\$ 1,129,784	\$ 1,109,431
63.76 %	45.64 %	58.26 %	41.53 %

STATE OF MISSOURI
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FISCAL YEARS 2015-2021
(In Thousands of Dollars)

	2021*	2020*	2019*
<u>Missouri State Employees' Plan</u>			
State's proportion of the net pension liability	83.44 %	83.27 %	82.84 %
State's proportionate share of the net pension liability	\$ 5,296,316	\$ 5,030,722	\$ 4,620,928
State's covered payroll	\$ 1,667,168	\$ 1,617,502	\$ 1,610,149
State's proportionate share of the net pension liability as a percentage of its covered payroll	317.68 %	311.02 %	286.99 %
Plan fiduciary net position as a percentage of the total pension liability	55.48 %	56.72 %	59.02 %
<u>Judicial Plan</u>			
State's proportion of the net pension liability	100.00 %	100.00 %	100.00 %
State's proportionate share of the net pension liability	\$ 457,559	\$ 459,150	\$ 443,589
State's covered payroll	\$ 61,321	\$ 60,594	\$ 59,417
State's proportionate share of the net pension liability as a percentage of its covered payroll	746.18 %	757.74 %	746.73 %
Plan fiduciary net position as a percentage of the total pension liability	26.77 %	25.64 %	25.30 %
<u>Missouri Department of Transportation and Highway Patrol Employees' Retirement System</u>			
State's proportion of the net pension liability	100.00 %	100.00 %	100.00 %
State's proportionate share of the net pension liability	\$ 1,730,498	\$ 1,614,108	\$ 1,667,309
State's covered payroll	\$ 363,980	\$ 362,748	\$ 353,751
State's proportionate share of the net pension liability as a percentage of its covered payroll	475.44 %	444.97 %	471.32 %
Plan fiduciary net position as a percentage of the total pension liability	57.71 %	60.02 %	58.13 %
<u>Missouri State Employees' Plan - Component Units</u>			
Component Unit's proportion of the net pension liability	16.24 %	16.40 %	16.82 %
Component Unit's proportionate share of the net pension liability	\$ 1,031,118	\$ 990,703	\$ 938,355
Component Unit's covered payroll	\$ 324,582	\$ 318,588	\$ 326,943
Component Unit's proportionate share of the net pension liability as a percentage of its covered payroll	317.68 %	310.97 %	287.01 %
Plan fiduciary net position as a percentage of the total pension liability	55.48 %	56.72 %	59.02 %
<u>University of Missouri Retirement System</u>			
University's proportion of the net pension liability	100.00 %	100.00 %	100.00 %
University's proportionate share of the net pension liability	\$ 314,943	\$ 1,109,623	\$ 814,210
University's covered payroll	\$ 1,116,123	\$ 1,227,342	\$ 1,187,435
University's proportionate share of the net pension liability as a percentage of its covered payroll	28.22 %	90.41 %	68.57 %
Plan fiduciary net position as a percentage of the total pension liability	93.54 %	76.71 %	82.19 %

*Based on a measurement date and actuarial valuation as of the end of the preceding fiscal year. The measurement date is as of June 30, except University of Missouri Retirement System which is based on a measurement date of October 1.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

	2018*		2017*		2016*		2015*
	82.19 %		82.21 %		82.26 %		82.45%
\$	4,279,391	\$	3,816,328	\$	2,641,347	\$	1,944,098
\$	1,617,463	\$	1,593,034	\$	1,593,238	\$	1,613,263
	264.57 %		239.56 %		165.78 %		120.51%
	60.41 %		63.60 %		72.62 %		79.49%
	100.00 %		100.00 %		100.00 %		100.00 %
\$	426,783	\$	415,565	\$	352,118	\$	329,690
\$	58,592	\$	57,421	\$	55,656	\$	49,588
	728.40 %		723.72 %		632.66 %		664.86 %
	24.39 %		24.11 %		27.09 %		28.69 %
	100.00 %		100.00 %		100.00 %		100.00 %
\$	1,632,669	\$	1,769,659	\$	1,706,479	\$	1,692,786
\$	356,515	\$	344,635	\$	342,265	\$	336,591
	457.95 %		513.49 %		498.58 %		502.92 %
	57.06 %		52.96 %		54.08 %		53.63 %
	17.44 %		17.41 %		17.38 %		17.19 %
\$	908,000	\$	808,175	\$	557,955	\$	405,189
\$	343,472	\$	337,401	\$	336,571	\$	325,490
	264.36 %		239.53 %		165.78 %		124.49 %
	60.41 %		63.60 %		72.62 %		79.49 %
	100.00 %		100.00 %		100.00 %		100.00 %
\$	731,193	\$	522,264	\$	658,186	\$	460,723
\$	1,146,836	\$	1,144,412	\$	1,129,784	\$	1,109,431
	63.76 %		45.64 %		58.26 %		41.53 %
	83.43 %		86.97 %		83.03 %		87.76 %

**STATE OF MISSOURI
SCHEDULE OF STATE CONTRIBUTIONS
PENSION
FISCAL YEARS 2014-2021
(In Thousands of Dollars)**

	2021	2020	2019*
<u>Missouri State Employees' Plan</u>			
Required Contributions	\$ 388,097	\$ 362,950	\$ 326,951
Contributions in relation to the required contribution	\$ 388,097	\$ 362,950	\$ 326,951
Contribution deficiency (excess)	\$ —	\$ —	\$ —
State's covered payroll	\$ 1,696,219	\$ 1,667,168	\$ 1,617,502
Contributions as a percentage of covered payroll	22.88 %	21.77 %	20.21 %
<u>Judicial Plan</u>			
Required Contributions	\$ 39,990	\$ 39,123	\$ 38,555
Contributions in relation to the required contribution	\$ 39,990	\$ 39,123	\$ 38,555
Contribution deficiency (excess)	\$ —	\$ —	\$ —
State's covered payroll	\$ 63,096	\$ 61,321	\$ 60,594
Contributions as a percentage of covered payroll	63.38 %	63.80 %	63.63 %
<u>Missouri Department of Transportation and Highway Patrol Employees' Retirement System</u>			
Required Contributions	\$ 208,213	\$ 210,872	\$ 210,167
Contributions in relation to the required contribution	\$ 208,213	\$ 210,872	\$ 210,167
Contribution deficiency (excess)	\$ —	\$ —	\$ —
State's covered payroll	\$ 359,410	\$ 363,980	\$ 362,748
Contributions as a percentage of covered payroll	58.00 %	58.00 %	58.00 %
<u>Missouri State Employees' Plan - Component Units</u>			
Required Contributions	\$ 70,123	\$ 70,661	\$ 64,387
Contributions in relation to the required contribution	\$ 70,123	\$ 70,661	\$ 64,387
Contribution deficiency (excess)	\$ —	\$ —	\$ —
Component Unit's covered payroll	\$ 312,895	\$ 324,582	\$ 318,588
Contributions as a percentage of covered payroll	22.41 %	21.77 %	20.21 %
<u>University of Missouri Retirement System</u>			
Required Contributions	\$ 115,006	\$ 118,234	\$ 115,980
Contributions in relation to the required contribution	\$ 115,006	\$ 118,234	\$ 115,980
Contribution deficiency (excess)	\$ —	\$ —	\$ —
University's covered payroll	\$ 1,116,123	\$ 1,227,342	\$ 1,187,435
Contributions as a percentage of covered payroll	10.30 %	9.63 %	9.77 %

*After post-valuation adjustments.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

Notes to the Schedule:

Changes of benefit terms. Senate Bill 62 (SB 62), which contained changes to the benefit structure for Missouri State Employees' MSEP 2011 Plan and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System Year 2000 Plan-2011 Tier, was passed by the 2017 legislature. The provisions of the bill decreased vesting from ten to five years of service, but also included provisions that essentially offset the cost of the vesting change. As a result, SB 62 had no impact on the employer contribution rate and created a decrease to the UAAL for the MSEP 2011 Plan of \$1.6 million.

Changes of assumptions.

For MOSERS: The board reduced the investment return assumption used in the June 30, 2020 valuation to 6.95%.

For MPERS: No changes in assumptions.

For MU: No changes in assumptions.

2018	2017	2016	2015	2014
\$ 313,167	\$ 274,510	\$ 270,198	\$ 270,220	\$ 269,106
\$ 313,167	\$ 274,510	\$ 270,198	\$ 270,220	\$ 269,106
\$ —	\$ —	\$ —	\$ —	\$ —
\$ 1,610,149	\$ 1,617,463	\$ 1,593,034	\$ 1,593,238	\$ 1,613,263
19.45 %	16.97 %	16.96 %	16.96 %	16.68 %
\$ 36,895	\$ 32,671	\$ 33,642	\$ 32,696	\$ 29,265
\$ 36,895	\$ 34,247	\$ 33,642	\$ 32,696	\$ 29,265
\$ —	\$ (1,576)	\$ —	\$ —	\$ —
\$ 59,417	\$ 58,592	\$ 57,421	\$ 55,656	\$ 49,588
62.10 %	58.45 %	58.59 %	58.70 %	59.02 %
\$ 204,955	\$ 206,563	\$ 199,609	\$ 200,639	\$ 183,354
\$ 204,955	\$ 206,563	\$ 199,609	\$ 200,639	\$ 183,354
\$ —	\$ —	\$ —	\$ —	\$ —
\$ 353,751	\$ 356,515	\$ 344,635	\$ 342,265	\$ 336,591
58.00 %	58.00 %	58.00 %	58.62 %	54.44 %
\$ 63,533	\$ 58,246	\$ 57,219	\$ 57,081	\$ 56,087
\$ 63,533	\$ 58,246	\$ 57,219	\$ 57,081	\$ 56,087
\$ —	\$ —	\$ —	\$ —	\$ —
\$ 326,631	\$ 343,472	\$ 337,401	\$ 336,571	\$ 325,490
19.45 %	16.96 %	16.96 %	16.96%	17.23%
\$ 92,200	\$ 96,631	\$ 99,454	\$ 103,895	\$ 113,688
\$ 92,200	\$ 96,631	\$ 99,454	\$ 103,895	\$ 113,688
\$ —	\$ —	\$ —	\$ —	\$ —
\$ 1,146,836	\$ 1,144,412	\$ 1,129,784	\$ 1,109,431	\$ 1,078,347
8.04 %	8.44 %	8.80 %	9.36 %	10.54 %

STATE OF MISSOURI
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FISCAL YEARS 2018-2021
(In Thousands of Dollars)

	Missouri Department of Transportation and Highway Patrol Medical and Life Insurance Plan			
	2021*	2020	2019	2018
Total OPEB Liability				
Service Cost	\$ 29,743	\$ 38,514	\$ 40,070	\$ 49,483
Interest	37,990	44,435	39,737	35,941
Differences Between Expected and Actual Experience	(3,176)	(52,465)	(1,907)	—
Effect of economic/demographic gains or losses	—	—	—	—
Changes of Assumptions or Other Inputs	250,439	(63,896)	(54,900)	(165,036)
Benefit Payments	(23,661)	(23,638)	(23,024)	(21,185)
Net Change in Total OPEB Liability	291,335	(57,050)	(24)	(100,797)
Total OPEB Liability - Beginning	1,064,325	1,121,375	1,121,399	1,222,196
Total OPEB Liability - Ending (a)	\$1,355,660	\$ 1,064,325	\$1,121,375	\$1,121,399
Covered-Employee Payroll	\$ 364,987	\$ 364,538	\$ 355,588	\$ 355,663
Total OPEB Liability as a Percentage of Covered-Employee Payroll	371.43%	291.97%	315.36%	315.30%

*Based on an actuarial valuation date of July 1, 2019 and measurement date of the preceding fiscal year as of July 1.

**Based on an actuarial valuation date of June 30, 2019, and a measurement date of the current fiscal year as of June 30.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

Conservation Employees' Benefits Plan			
2021**	2020	2019	2018
\$ 4,029	\$ 2,501	\$ 2,926	\$ 3,109
3,363	5,276	5,264	4,975
—	—	—	—
—	(36,969)	—	—
1,514	32,152	10,144	(7,665)
(3,171)	(2,961)	(3,375)	(3,006)
5,735	(1)	14,959	(2,587)
149,715	149,716	134,757	137,344
<u>\$ 155,450</u>	<u>\$ 149,715</u>	<u>\$ 149,716</u>	<u>\$ 134,757</u>
\$ 55,700	\$ 56,800	\$ 62,766	\$ 62,235
279.08 %	263.58 %	238.53 %	216.53 %

STATE OF MISSOURI
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
FISCAL YEARS 2018-2021
(In Thousands of Dollars)

	University of Missouri OPEB Plan			
	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	\$ 5,115	\$ 4,019	\$ 4,124	\$ 4,991
Interest on the Total OPEB Liability	8,905	17,004	18,248	17,434
Differences between Expected and Actual Experience	(14,091)	(4,425)	31,459	—
Changes in Assumptions	(135,163)	(81,032)	(17,565)	(18,998)
Benefit Payments, including member refunds	(18,438)	(20,652)	(23,206)	(22,828)
Net Change in Total OPEB Liability	(153,672)	(85,086)	13,060	(19,401)
Total OPEB Liability - Beginning	406,980	492,066	479,006	498,407
Total OPEB Liability - Ending (a)	253,308	406,980	492,066	479,006
Plan Fiduciary Net Position				
Contributions - Employer	18,551	20,672	23,363	18,590
Contributions - Employee	18,296	17,763	17,378	16,480
Net Investment Income	12	920	1,469	790
Benefit Payments, including refunds of employee contributions	(36,734)	(38,413)	(40,584)	(35,031)
Other	—	(2)	(1)	(172)
Net Change in Plan Fiduciary Net Position	125	940	1,625	657
Plan Fiduciary Net Position - Beginning	39,366	38,426	36,801	36,144
Plan Fiduciary Net Position - Ending (b)	39,491	39,366	38,426	36,801
Net OPEB Liability - Ending (a) - (b)	\$ 213,817	\$ 367,614	\$ 453,640	\$ 442,205
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	15.59 %	9.67 %	7.81 %	7.68 %
Covered-Employee Payroll	\$ 574,498	\$ 612,694	\$ 677,089	\$ 721,517
Net OPEB Liability as a Percentage of Covered-Employee Payroll	37.22 %	60.00 %	67.00 %	61.29 %

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

STATE OF MISSOURI
SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY
FISCAL YEARS 2018-2021
(In Thousands of Dollars)

	2021*	2020*	2019*	2018
Missouri Consolidated Health Care Plan				
State's proportion of the collective net OPEB liability	99.61 %	99.61 %	99.59 %	99.56 %
State's proportionate share of the collective net OPEB liability	\$ 1,774,156	\$ 1,761,801	\$ 1,745,034	\$ 1,756,787
State's covered payroll	\$ 1,594,758	\$ 1,605,629	\$ 1,597,814	\$ 1,480,735
State's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	111.25 %	109.73 %	109.21 %	118.64 %
Plan fiduciary net position as a percentage of the total OPEB liability	8.24 %	7.31 %	6.90 %	6.64 %
Missouri Consolidated Health Care Plan - CU				
Component Unit's proportion of the collective net OPEB liability	0.04 %	0.04 %	0.05 %	0.03 %
Component Unit's proportionate share of the collective net OPEB liability	\$ 784	\$ 746	\$ 825	\$ 484
Component Unit's covered payroll	\$ 704	\$ 680	\$ 756	\$ 176
Component Unit's proportionate share of the collective net OPEB liability as a percentage of its covered payroll	111.36 %	109.71 %	109.13 %	275.00 %
Plan fiduciary net position as a percentage of the total OPEB liability	8.24 %	7.31 %	6.90 %	6.64 %

*Based on a measurement date of the preceding fiscal year and actuarial valuation as of the July 1, 2020.

Note: This schedule is ultimately required to show information for ten years. However, until a full ten-year trend is compiled, only the years that information is available will be reported.

Notes to the Schedules:

Neither MHPML or CEIP have assets that are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Changes of benefit terms. There were no changes in benefit terms.

Changes of assumptions.

For MCHCP: The discount rate changed from 5.24% to 4.38%, in the July 1, 2020 valuation.

For CEIP: The discount rate changed from 2.21% to 2.16% in the June 30, 2019 valuation.

MHPML: The discount rate changed from 3.51% to 2.21% in the July 1, 2019 valuation.

For MU: Claims and trends for all plans were revised to reflect future expectations. Also, the discount rate used for the valuations was changed from 2.21% to 2.16% in the June 30, 2021 valuation.



***Supplementary Information** includes the Budgetary Comparison Schedule and Reconciliation for the Major Capital Projects Fund (Missouri Road Fund), as well as the Combining and Individual Fund Statements for the General Fund and all Non-Major Funds.*

**STATE OF MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
MAJOR CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)**

	Missouri Road Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Beginning Budgetary Fund Balance	\$ 890,186	\$ 890,186	\$ 890,186	\$ —
Resources (Inflows):				
Taxes:				
Vehicle Sales and Use	176,805	176,805	218,130	41,325
Fuel	97	97	114	17
Total Taxes	176,902	176,902	218,244	41,342
Licenses, Fees, and Permits	87,195	87,195	117,809	30,614
Contributions and Intergovernmental	1,102,624	1,102,624	1,262,757	160,133
Interest	5,087	5,087	6,571	1,484
Cost Reimbursement/Miscellaneous	196,113	196,113	66,512	(129,601)
Transfers In	556,628	556,628	552,500	(4,128)
Total Resources (Inflows)	2,124,549	2,124,549	2,224,393	99,844
Amount Available for Appropriation	3,014,735	3,014,735	3,114,579	99,844
Charges to Appropriations (Outflows):				
Current:				
Transportation and Law Enforcement	1,130,874	1,171,655	827,556	344,099
Capital Outlay				
Transportation and Law Enforcement	1,344,757	1,393,251	984,073	409,178
Debt Service	153,801	159,347	112,549	46,798
Total Charges to Appropriations	2,629,432	2,724,253	1,924,178	800,075
Ending Budgetary Fund Balance	\$ 385,303	\$ 290,482	\$ 1,190,401	\$ 899,919
Reconciling Items:				
Reclassifying Cash Equivalents as Investments			(691,705)	
Investments at Fair Value			800,316	
Receivables, Net			119,765	
Inventories			41,855	
Accounts Payable			(93,608)	
Accrued Payroll			(17,291)	
Due to Other Funds			(332)	
Unearned Revenue			(118,638)	
Deferred Inflows of Resources			(4,460)	
Fund Balance - GAAP Basis			\$ 1,226,303	



The Combining and Individual Fund Statements

Major Funds

General Fund - Accounts for all current financial resources not required by law or administrative action to be accounted for in another fund.

Non-Major Funds

This includes all non-major governmental and enterprise funds, as well as the non-major component units. It also includes all internal service and fiduciary funds because the "major fund" classification, created under GASB Statement 34, does not apply to these funds.

A budgetary comparison statement is provided for all non-major governmental funds.

**STATE OF MISSOURI
BALANCE SHEET
GENERAL FUND
June 30, 2021
(In Thousands of Dollars)**

	General Fund		Totals
	General	Federal	June 30, 2021
ASSETS			
Cash and Cash Equivalents	\$ 1,326,848	\$ 531,330	\$ 1,858,178
Investments	2,089,630	899,908	2,989,538
Accounts Receivable, Net	2,108,030	1,088,295	3,196,325
Interest Receivable	5,596	470	6,066
Inventories	22,912	87,571	110,483
Loans Receivable	63,435	—	63,435
Total Assets	<u>\$ 5,616,451</u>	<u>\$ 2,607,574</u>	<u>\$ 8,224,025</u>
LIABILITIES			
Accounts Payable	\$ 801,908	\$ 836,281	\$ 1,638,189
Accrued Payroll	43,866	14,854	58,720
Due to Other Funds	2,906	4,002	6,908
Unearned Revenue	1,109	216,003	217,112
Escheat/Unclaimed Property	125,762	—	125,762
Total Liabilities	<u>975,551</u>	<u>1,071,140</u>	<u>2,046,691</u>
DEFERRED INFLOWS OF RESOURCES	<u>1,399,396</u>	<u>80,000</u>	<u>1,479,396</u>
FUND BALANCES			
Nonspendable	86,347	87,571	173,918
Restricted	3,097	1,368,863	1,371,960
Committed	611,350	—	611,350
Assigned	144,642	—	144,642
Unassigned	2,396,068	—	2,396,068
Total Fund Balances	<u>3,241,504</u>	<u>1,456,434</u>	<u>4,697,938</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,616,451</u>	<u>\$ 2,607,574</u>	<u>\$ 8,224,025</u>

STATE OF MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	General Fund			Totals
	General	Federal	Eliminations	June 30, 2021
Revenues:				
Taxes	\$ 10,866,236	\$ —	\$ —	\$ 10,866,236
Licenses, Fees, and Permits	100,823	376	—	101,199
Sales	2,522	16	—	2,538
Leases and Rentals	13	—	—	13
Services	3,745	125,191	—	128,936
Contributions and Intergovernmental	2,022,653	13,686,236	—	15,708,889
Investment Earnings:				
Net Increase (Decrease) in the Fair Value of Investments	(1,008)	(6,558)	—	(7,566)
Interest	18,085	4,561	—	22,646
Penalties and Unclaimed Properties	56,276	6,779	—	63,055
Cost Reimbursement/Miscellaneous	158,300	215,847	—	374,147
Total Revenues	13,227,645	14,032,448	—	27,260,093
Expenditures:				
Current:				
General Government	674,883	493,553	—	1,168,436
Education	3,328,254	1,482,035	—	4,810,289
Natural and Economic Resources	52,454	492,495	—	544,949
Transportation and Law Enforcement	81,945	1,309,757	—	1,391,702
Human Services	6,574,856	9,017,133	—	15,591,989
Debt Service:				
Principal	45,417	2,381	—	47,798
Interest	20,063	27	—	20,090
Bond Issuance Cost	339	—	—	339
Underwriter's Discount	47	—	—	47
Total Expenditures	10,778,258	12,797,381	—	23,575,639
Excess Revenues (Expenditures)	2,449,387	1,235,067	—	3,684,454
Other Financing Sources (Uses):				
Issuance of Notes/Capital Leases/Financed Purchases	2,829	2,784	—	5,613
Issuance of Refunding Bonds	172,850	—	—	172,850
Payments to Escrow Agent	(208,893)	—	—	(208,893)
Bond Premium	36,429	—	—	36,429
Sale of Capital Assets	—	211	—	211
Transfers In	347,915	166,984	(466,814)	48,085
Transfers Out	(1,481,757)	(633,199)	466,814	(1,648,142)
Total Other Financing Sources (Uses)	(1,130,627)	(463,220)	—	(1,593,847)
Net Change in Fund Balances	1,318,760	771,847	—	2,090,607
Fund Balances - Beginning	1,923,212	598,622	—	2,521,834
Increase (Decrease) in Reserve for Inventory	(468)	85,965	—	85,497
Fund Balances - Ending	\$ 3,241,504	\$ 1,456,434	\$ —	\$ 4,697,938

STATE OF MISSOURI
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
June 30, 2021
(In Thousands of Dollars)

	Special Revenue	Debt Service	Capital Projects	Permanent	Totals June 30, 2021
ASSETS					
Cash and Cash Equivalents	\$ 387,726	\$ 33,178	\$ 6,496	\$ 252	\$ 427,652
Investments	616,109	74,482	18,290	64,796	773,677
Accounts Receivable, Net	164,358	20,789	—	—	185,147
Interest Receivable	316	160	56	—	532
Due from Other Funds	1,553	—	—	—	1,553
Inventories	6,945	—	—	—	6,945
Loans Receivable	1,584	—	—	—	1,584
Total Assets	<u>\$ 1,178,591</u>	<u>\$ 128,609</u>	<u>\$ 24,842</u>	<u>\$ 65,048</u>	<u>\$ 1,397,090</u>
LIABILITIES					
Accounts Payable	\$ 51,845	\$ —	\$ 618	\$ —	\$ 52,463
Accrued Payroll	12,266	—	—	—	12,266
Due to Other Funds	1,115	—	—	—	1,115
Total Liabilities	<u>65,226</u>	<u>—</u>	<u>618</u>	<u>—</u>	<u>65,844</u>
DEFERRED INFLOWS OF RESOURCES	<u>5,606</u>	<u>34</u>	<u>30</u>	<u>—</u>	<u>5,670</u>
FUND BALANCES					
Nonspendable	6,945	—	—	64,924	71,869
Restricted	304,676	128,575	24,194	—	457,445
Committed	528,856	—	—	—	528,856
Assigned	267,282	—	—	124	267,406
Total Fund Balances	<u>1,107,759</u>	<u>128,575</u>	<u>24,194</u>	<u>65,048</u>	<u>1,325,576</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,178,591</u>	<u>\$ 128,609</u>	<u>\$ 24,842</u>	<u>\$ 65,048</u>	<u>\$ 1,397,090</u>

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Special Revenue	Debt Service	Capital Projects	Permanent	Totals June 30, 2021
Revenues:					
Taxes	\$ 917,587	\$ 219,932	\$ —	\$ —	\$ 1,137,519
Licenses, Fees, and Permits	430,000	—	—	—	430,000
Sales	1,727	—	—	—	1,727
Leases and Rentals	1	—	—	—	1
Services	1,307	—	—	—	1,307
Contributions and Intergovernmental	323,717	11,860	—	—	335,577
Investment Earnings:					
Net Increase (Decrease) in the Fair Value of Investments	(2,774)	(199)	(274)	(548)	(3,795)
Interest	1,304	421	225	3	1,953
Penalties and Unclaimed Properties	497,569	—	—	2,342	499,911
Cost Reimbursement/Miscellaneous	59,922	—	—	—	59,922
Total Revenues	<u>2,230,360</u>	<u>232,014</u>	<u>(49)</u>	<u>1,797</u>	<u>2,464,122</u>
Expenditures:					
Current:					
General Government	237,154	—	14	—	237,168
Education	2,347	—	829	—	3,176
Natural and Economic Resources	246,856	—	—	—	246,856
Transportation and Law Enforcement	287,350	—	—	—	287,350
Human Services	611,785	—	—	—	611,785
Capital Outlay:					
General Government	—	—	7,270	—	7,270
Natural and Economic Resources	—	—	23	—	23
Human Services	—	—	434	—	434
Debt Service:					
Principal	658	142,930	1,194	—	144,782
Interest	160	75,352	251	—	75,763
Total Expenditures	<u>1,386,310</u>	<u>218,282</u>	<u>10,015</u>	<u>—</u>	<u>1,614,607</u>
Excess Revenues (Expenditures)	<u>844,050</u>	<u>13,732</u>	<u>(10,064)</u>	<u>1,797</u>	<u>849,515</u>
Other Financing Sources (Uses):					
Issuance of Notes/Capital Leases/Financed Purchases	3,660	—	—	—	3,660
Proceeds from Sale of Capital Assets	8,571	—	—	—	8,571
Transfers In	237,861	29,251	—	—	267,112
Transfers Out	(538,329)	—	—	—	(538,329)
Total Other Financing Sources (Uses)	<u>(288,237)</u>	<u>29,251</u>	<u>—</u>	<u>—</u>	<u>(258,986)</u>
Net Change in Fund Balances	555,813	42,983	(10,064)	1,797	590,529
Fund Balances - Beginning	549,763	85,592	34,258	63,251	732,864
Increase (Decrease) in Reserve for Inventory	2,183	—	—	—	2,183
Fund Balances - Ending	<u>\$ 1,107,759</u>	<u>\$ 128,575</u>	<u>\$ 24,194</u>	<u>\$ 65,048</u>	<u>\$ 1,325,576</u>



*The **Special Revenue Funds** account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The State has numerous individual Special Revenue Funds. Therefore, the funds have been combined into specific functional areas.*

Non-Major Special Revenue Funds:

Professional Registration - Provides for the control and regulation of various professions. Each profession has its own fund to account for its operation.

Judicial Protection and Assistance - Provides for protection of public employees by the Attorney General's Office, conviction of criminal offenders by prosecuting attorneys and assistance to victims of criminal offenses.

Agriculture and State Fair - Provides for inspections of products, market development, and awards for competition at the State Fair.

Social Assistance - Provides financial, health, and other services to qualifying individuals.

Transportation and Law Enforcement - Provides transportation services, road construction and maintenance, and the enforcement of vehicle laws and traffic safety.

Unemployment and Workers' Compensation - Provides for the administration of these laws and benefits to workers who qualify for workers' compensation.

Reimbursements and Other - Provides various reimbursements of costs to other governments and various regulatory commissions not included in other functional areas.

**STATE OF MISSOURI
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
June 30, 2021
(In Thousands of Dollars)**

	Professional Registration	Judicial Protection and Assistance	Agriculture and State Fair	Social Assistance	Transportation and Law Enforcement	Unemployment and Workers' Compensation	Reimbursements and Other	Totals June 30, 2021
ASSETS								
Cash and Cash								
Equivalents	\$ 18,050	\$ 191,976	\$ 7,414	\$ 47,460	\$ 62,524	\$ 23,421	\$ 36,881	\$ 387,726
Investments	30,226	321,459	11,726	79,279	73,747	39,214	60,458	616,109
Accounts Receivable, Net	—	1,749	111	8,633	129,371	22,554	1,940	164,358
Interest Receivable	—	15	12	89	77	56	67	316
Due from Other Funds	—	—	—	—	—	1,553	—	1,553
Inventories	26	8	18	27	6,599	—	267	6,945
Loans Receivable	—	—	945	—	639	—	—	1,584
Total Assets	<u>\$ 48,302</u>	<u>\$ 515,207</u>	<u>\$ 20,226</u>	<u>\$ 135,488</u>	<u>\$ 272,957</u>	<u>\$ 86,798</u>	<u>\$ 99,613</u>	<u>\$1,178,591</u>
LIABILITIES								
Accounts Payable	\$ 211	\$ 453	\$ 109	\$ 36,526	\$ 2,745	\$ 2,236	\$ 9,565	\$ 51,845
Accrued Payroll	253	417	320	384	7,852	444	2,596	12,266
Due to Other Funds	31	285	24	77	557	44	97	1,115
Total Liabilities	<u>495</u>	<u>1,155</u>	<u>453</u>	<u>36,987</u>	<u>11,154</u>	<u>2,724</u>	<u>12,258</u>	<u>65,226</u>
DEFERRED INFLOWS OF RESOURCES								
	<u>—</u>	<u>445</u>	<u>12</u>	<u>455</u>	<u>3,657</u>	<u>815</u>	<u>222</u>	<u>5,606</u>
FUND BALANCES								
Nonspendable	26	8	18	27	6,599	—	267	6,945
Restricted	—	21,100	9,430	72,345	62,318	83,259	56,224	304,676
Committed	14,409	483,724	488	18,619	579	—	11,037	528,856
Assigned	33,372	8,775	9,825	7,055	188,650	—	19,605	267,282
Total Fund Balances	<u>47,807</u>	<u>513,607</u>	<u>19,761</u>	<u>98,046</u>	<u>258,146</u>	<u>83,259</u>	<u>87,133</u>	<u>1,107,759</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 48,302</u>	<u>\$ 515,207</u>	<u>\$ 20,226</u>	<u>\$ 135,488</u>	<u>\$ 272,957</u>	<u>\$ 86,798</u>	<u>\$ 99,613</u>	<u>\$1,178,591</u>

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Professional Registration	Judicial Protection and Assistance	Agriculture and State Fair	Social Assistance	Transportation and Law Enforcement	Unemployment and Workers' Compensation	Reimbursements and Other	Totals June 30, 2021
Revenues:								
Taxes	\$ 34	\$ —	\$ 4,751	\$ 108,211	\$ 705,598	\$ 98,780	\$ 213	\$ 917,587
Licenses, Fees, and Permits	21,269	26,785	13,795	30,600	232,494	—	105,057	430,000
Sales	—	—	187	1,038	—	—	502	1,727
Leases and Rentals	—	—	—	—	—	—	1	1
Services	—	1,255	4	—	—	—	48	1,307
Contributions and Intergovernmental	—	830	94	316,528	93	—	6,172	323,717
Investment Earnings:								
Net Increase (Decrease) in the Fair Value of Investments	(189)	(1,042)	(151)	(419)	(401)	(236)	(336)	(2,774)
Interest	—	57	74	272	463	200	238	1,304
Penalties and Unclaimed Properties	392	486,088	—	9,724	643	—	722	497,569
Cost Reimbursement/Miscellaneous	100	1,178	26	36,029	484	81	22,024	59,922
Total Revenues	21,606	515,151	18,780	501,983	939,374	98,825	134,641	2,230,360
Expenditures:								
Current:								
General Government	177	14,163	217	1,615	203,596	5,617	11,769	237,154
Education	4	—	—	1,114	—	1,229	—	2,347
Natural and Economic Resources	20,369	7,567	15,239	3,601	—	90,752	109,328	246,856
Transportation and Law Enforcement	—	19,984	—	2,420	229,881	—	35,065	287,350
Human Services	—	266	—	607,061	—	—	4,458	611,785
Debt Service:								
Principal	—	21	—	—	—	97	540	658
Interest	—	5	8	—	—	4	143	160
Total Expenditures	20,550	42,006	15,464	615,811	433,477	97,699	161,303	1,386,310
Excess Revenues (Expenditures)	1,056	473,145	3,316	(113,828)	505,897	1,126	(26,662)	844,050
Other Financing Sources (Uses):								
Issuance of Notes/Capital Leases/Financed Purchases	—	—	—	—	3,655	—	5	3,660
Proceeds from Sale of Capital Assets	20	114	43	27	8,322	—	45	8,571
Transfers In	31	2,637	18	171,745	648	5,961	56,821	237,861
Transfers Out	(306)	(218)	—	(14,606)	(507,002)	—	(16,197)	(538,329)
Total Other Financing Sources (Uses)	(255)	2,533	61	157,166	(494,377)	5,961	40,674	(288,237)
Net Change in Fund Balances	801	475,678	3,377	43,338	11,520	7,087	14,012	555,813
Fund Balances - Beginning	47,006	37,929	16,384	54,764	244,361	76,172	73,147	549,763
Increase (Decrease) in Reserve for Inventory	—	—	—	(56)	2,265	—	(26)	2,183
Fund Balances - Ending	\$ 47,807	\$ 513,607	\$ 19,761	\$ 98,046	\$ 258,146	\$ 83,259	\$ 87,133	\$ 1,107,759

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Professional Registration			Judicial Protection and Assistance*		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes:						
Sales and Use	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Cigarette	—	—	—	—	—	—
Fuel	31	34	3	—	—	—
County Foreign Insurance	—	—	—	—	—	—
Liquor/Wine	—	—	—	—	—	—
Medical Marijuana	—	—	—	—	—	—
Reimbursement/Miscellaneous	—	—	—	—	—	—
Total Taxes	31	34	3	—	—	—
Licenses, Fees, and Permits	19,372	21,276	1,904	26,784	26,343	(441)
Sales	—	—	—	—	—	—
Leases and Rentals	—	—	—	—	—	—
Services	—	—	—	1,309	1,287	(22)
Contributions and Intergovernmental	—	—	—	2,291	2,253	(38)
Interest	—	—	—	73	72	(1)
Penalties and Unclaimed Property	357	392	35	494,202	486,056	(8,146)
Cost Reimbursement/ Miscellaneous	90	99	9	1,203	1,183	(20)
Total Revenues	19,850	21,801	1,951	525,862	517,194	(8,668)
Expenditures:						
Current:						
General Government	47	9	38	22,731	13,941	8,790
Education	150	3	147	—	—	—
Natural and Economic Resources	13,254	8,823	4,431	7,784	7,566	218
Transportation and Law Enforcement	—	—	—	36,143	20,614	15,529
Human Services	—	—	—	788	232	556
Debt Service:	—	—	—	—	—	—
Total Expenditures	13,451	8,835	4,616	67,446	42,353	25,093
Excess Revenues (Expenditures)	6,399	12,966	6,567	458,416	474,841	16,425
Other Financing Sources (Uses):						
Transfers In	378	53	(325)	5,584	5,451	(133)
Transfers Out	(15,171)	(11,996)	3,175	(5,462)	(5,027)	435
Total Other Financing Sources (Uses)	(14,793)	(11,943)	2,850	122	424	302
Net Change in Fund Balances	(8,394)	1,023	9,417	458,538	475,265	16,727
Fund Balances - Beginning	47,342	47,342	—	39,132	39,132	—
Fund Balances - Ending	\$ 38,948	\$ 48,365	\$ 9,417	\$ 497,670	\$ 514,397	\$ 16,727
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(30,315)			(322,421)	
Investments at Fair Value		30,226			321,459	
Receivables, Net		—			1,764	
Due from Other Funds		—			—	
Inventories		26			8	
Accounts Payable		(211)			(453)	
Accrued Payroll		(253)			(417)	
Due to Other Funds		(31)			(285)	
Deferred Inflows of Resources		—			(445)	
Fund Balance per GAAP		\$ 47,807			\$ 513,607	

*Beginning fund balance was restated due to the implementation of GASB Statement No. 84.

Agriculture and State Fair*			Social Assistance*		
Budget	Actual	Variance	Budget	Actual	Variance
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	51,585	44,205	(7,380)
—	—	—	—	—	—
—	—	—	—	—	—
4,270	4,750	480	—	—	—
—	—	—	2,340	2,005	(335)
—	—	—	65,871	56,447	(9,424)
4,270	4,750	480	119,796	102,657	(17,139)
12,420	13,817	1,397	35,583	30,492	(5,091)
2	2	—	1,211	1,038	(173)
—	—	—	—	—	—
4	4	—	1	1	—
110	122	12	377,458	323,455	(54,003)
40	45	5	380	326	(54)
—	—	—	11,308	9,690	(1,618)
59	66	7	43,072	36,910	(6,162)
16,905	18,806	1,901	588,809	504,569	(84,240)
378	86	292	5,664	3,993	1,671
—	—	—	3,186	1,672	1,514
16,019	10,958	5,061	6,946	3,602	3,344
—	—	—	8,226	1,902	6,324
—	—	—	546,047	445,962	100,085
—	—	—	51	41	10
16,397	11,044	5,353	570,120	457,172	112,948
508	7,762	7,254	18,689	47,397	28,708
54	42	(12)	238,905	173,943	(64,962)
(5,239)	(4,394)	845	(345,647)	(183,363)	162,284
(5,185)	(4,352)	833	(106,742)	(9,420)	97,322
(4,677)	3,410	8,087	(88,053)	37,977	126,030
12,989	12,989	—	88,963	88,963	—
\$ 8,312	\$ 16,399	\$ 8,087	\$ 910	\$ 126,940	\$ 126,030
	(8,985)			(79,480)	
	11,726			79,279	
	1,068			8,722	
	—			—	
	18			27	
	(109)			(36,526)	
	(320)			(384)	
	(24)			(77)	
	(12)			(455)	
	\$ 19,761			\$ 98,046	

This statement is continued on pages 171 - 172

	Transportation and Law Enforcement			Unemployment and Workers' Compensation		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes:						
Sales and Use	\$ 15,251	\$ 13,665	\$ (1,586)	\$ —	\$ —	\$ —
Cigarette	—	—	—	—	—	—
Fuel	791,780	709,434	(82,346)	—	—	—
County Foreign Insurance	—	—	—	—	—	—
Liquor/Wine	—	—	—	—	—	—
Medical Marijuana	—	—	—	—	—	—
Reimbursement/Miscellaneous	—	—	—	130,749	96,716	(34,033)
Total Taxes	807,031	723,099	(83,932)	130,749	96,716	(34,033)
Licenses, Fees, and Permits	269,277	241,272	(28,005)	—	—	—
Sales	8,747	7,837	(910)	—	—	—
Leases and Rentals	—	—	—	—	—	—
Services	—	—	—	—	—	—
Contributions and Intergovernmental	514	461	(53)	2,727	2,017	(710)
Interest	587	526	(61)	333	246	(87)
Penalties and Unclaimed Property	748	670	(78)	8,418	6,227	(2,191)
Cost Reimbursement/ Miscellaneous	1,671	1,497	(174)	366	271	(95)
Total Revenues	1,088,575	975,362	(113,213)	142,593	105,477	(37,116)
Expenditures:						
Current:						
General Government	230,778	211,376	19,402	46,293	6,685	39,608
Education	—	—	—	1,231	1,231	—
Natural and Economic Resources	—	—	—	125,911	81,997	43,914
Transportation and Law Enforcement	339,898	236,476	103,422	—	—	—
Human Services	—	—	—	—	—	—
Debt Service:	—	—	—	5	1	4
Total Expenditures	570,676	447,852	122,824	173,440	89,914	83,526
Excess Revenues (Expenditures)	517,899	527,510	9,611	(30,847)	15,563	46,410
Other Financing Sources (Uses):						
Transfers In	562,776	526,411	(36,365)	—	—	—
Transfers Out	(1,098,457)	(1,044,619)	53,838	(10,591)	(10,051)	540
Total Other Financing Sources (Uses)	(535,681)	(518,208)	17,473	(10,591)	(10,051)	540
Net Change in Fund Balances	(17,782)	9,302	27,084	(41,438)	5,512	46,950
Fund Balances - Beginning	121,492	121,492	—	57,240	57,240	—
Fund Balances - Ending	\$ 103,710	\$ 130,794	\$ 27,084	\$ 15,802	\$ 62,752	\$ 46,950
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(68,270)			(39,331)	
Investments at Fair Value		73,747			39,214	
Receivables, Net		130,087			22,610	
Due from Other Funds		—			1,553	
Inventories		6,599			—	
Accounts Payable		(2,745)			(2,236)	
Accrued Payroll		(7,852)			(444)	
Due to Other Funds		(557)			(44)	
Deferred Inflows of Resources		(3,657)			(815)	
Fund Balance per GAAP		\$ 258,146			\$ 83,259	

*Beginning fund balance was restated due to the implementation of GASB Statement No. 84.

Reimbursements and Other*			Totals		
Budget	Actual	Variance	Budget	Actual	Variance
\$ —	\$ —	\$ —	\$ 15,251	\$ 13,665	\$ (1,586)
—	—	—	51,585	44,205	(7,380)
—	—	—	791,811	709,468	(82,343)
306	231	(75)	306	231	(75)
—	—	—	4,270	4,750	480
—	—	—	2,340	2,005	(335)
—	—	—	196,620	153,163	(43,457)
306	231	(75)	1,062,183	927,487	(134,696)
139,385	105,192	(34,193)	502,821	438,392	(64,429)
697	526	(171)	10,657	9,403	(1,254)
1	1	—	1	1	—
64	48	(16)	1,378	1,340	(38)
8,351	6,302	(2,049)	391,451	334,610	(56,841)
387	292	(95)	1,800	1,507	(293)
959	724	(235)	515,992	503,759	(12,233)
29,614	22,349	(7,265)	76,075	62,375	(13,700)
179,764	135,665	(44,099)	2,562,358	2,278,874	(283,484)
18,333	10,761	7,572	324,224	246,851	77,373
—	—	—	4,567	2,906	1,661
101,946	85,965	15,981	271,860	198,911	72,949
102,760	28,928	73,832	487,027	287,920	199,107
6,322	3,416	2,906	553,157	449,610	103,547
21	12	9	77	54	23
229,382	129,082	100,300	1,640,912	1,186,252	454,660
(49,618)	6,583	56,201	921,446	1,092,622	171,176
83,333	75,552	(7,781)	891,030	781,452	(109,578)
(99,278)	(61,693)	37,585	(1,579,845)	(1,321,143)	258,702
(15,945)	13,859	29,804	(688,815)	(539,691)	149,124
(65,563)	20,442	86,005	232,631	552,931	320,300
77,058	77,058	—	444,216	444,216	—
\$ 11,495	\$ 97,500	\$ 86,005	\$ 676,847	\$ 997,147	\$ 320,300
	(60,619)			(609,421)	
	60,458			616,109	
	2,007			166,258	
	—			1,553	
	267			6,945	
	(9,565)			(51,845)	
	(2,596)			(12,266)	
	(97)			(1,115)	
	(222)			(5,606)	
	\$ 87,133			\$ 1,107,759	

This schedule is continued from page 170.



*The **Debt Service Funds** account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.*

Debt Service Funds:

Water Pollution Control Bond and Interest - Accounts for moneys used to pay the principal of the Water Pollution Control Bonds and the interest thereon.

Fourth State Building Bond and Interest - Accounts for moneys used to pay the principal of the Fourth State Building Bonds and the interest thereon.

Stormwater Control Bond and Interest - Accounts for moneys used to pay the principal of the Stormwater Control Bonds and the interest thereon.

Fulton State Hospital Bond and Interest - Accounts for moneys used to pay the principal of the Fulton State Hospital Bonds and the interest thereon.

Missouri Road Bond - Accounts for moneys used to pay bonds issued by the Highway and Transportation Commission.

**STATE OF MISSOURI
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
June 30, 2021
(In Thousands of Dollars)**

	Water Pollution Control Bond and Interest	Fourth State Building Bond and Interest	Stormwater Control Bond and Interest	Fulton State Hospital Bond and Interest	Missouri Road Bond	Totals June 30, 2021
ASSETS						
Cash and Cash Equivalents	\$ 3,065	\$ 1,096	\$ 469	\$ 3,252	\$ 25,296	\$ 33,178
Investments	8,630	3,085	1,319	9,158	52,290	74,482
Accounts Receivable, Net	—	—	—	—	20,789	20,789
Interest Receivable	24	9	4	26	97	160
Total Assets	<u>\$ 11,719</u>	<u>\$ 4,190</u>	<u>\$ 1,792</u>	<u>\$ 12,436</u>	<u>\$ 98,472</u>	<u>\$ 128,609</u>
DEFERRED INFLOWS OF RESOURCES	\$ 13	\$ 5	\$ 2	\$ 14	\$ —	\$ 34
FUND BALANCES						
Restricted	11,706	4,185	1,790	12,422	98,472	128,575
Total Fund Balances	<u>11,706</u>	<u>4,185</u>	<u>1,790</u>	<u>12,422</u>	<u>98,472</u>	<u>128,575</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,719</u>	<u>\$ 4,190</u>	<u>\$ 1,792</u>	<u>\$ 12,436</u>	<u>\$ 98,472</u>	<u>\$ 128,609</u>

Note: There were no liabilities for the fiscal year ended June 30, 2021.

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Water Pollution Control Bond and Interest	Fourth State Building Bond and Interest	Stormwater Control Bond and Interest	Fulton State Hospital Bond and Interest	Missouri Road Bond	Totals June 30, 2021
Revenues:						
Taxes	\$ —	\$ —	\$ —	\$ —	\$ 219,932	\$ 219,932
Contributions and Intergovernmental	—	—	—	—	11,860	11,860
Investment Earnings:						
Net Increase (Decrease) in the Fair Value of Investments	(105)	(38)	(16)	(112)	72	(199)
Interest	87	31	14	95	194	421
Total Revenues	(18)	(7)	(2)	(17)	232,058	232,014
Expenditures:						
Debt Service:						
Principal	10,355	3,955	1,570	5,625	121,425	142,930
Interest	1,241	216	209	6,716	66,970	75,352
Total Expenditures	11,596	4,171	1,779	12,341	188,395	218,282
Excess Revenues (Expenditures)	(11,614)	(4,178)	(1,781)	(12,358)	43,663	13,732
Other Financing Sources (Uses):						
Transfers In	11,374	4,022	1,745	12,110	—	29,251
Total Other Financing Sources (Uses)	11,374	4,022	1,745	12,110	—	29,251
Net Change in Fund Balances	(240)	(156)	(36)	(248)	43,663	42,983
Fund Balances - Beginning	11,946	4,341	1,826	12,670	54,809	85,592
Fund Balances - Ending	\$ 11,706	\$ 4,185	\$ 1,790	\$ 12,422	\$ 98,472	\$ 128,575

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL DEBT SERVICE FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Water Pollution Control Bond and Interest			Fourth State Building Bond and Interest		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Vehicle Sales and Use Tax	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Contributions and Intergovernmental	—	—	—	—	—	—
Interest	105	106	1	39	40	1
Total Revenues	105	106	1	39	40	1
Expenditures:						
Debt Service	11,596	11,596	—	4,171	4,171	—
Total Expenditures	11,596	11,596	—	4,171	4,171	—
Excess Revenues (Expenditures)	(11,491)	(11,490)	1	(4,132)	(4,131)	1
Other Financing Sources (Uses):						
Transfers In	11,589	11,374	(215)	4,167	4,022	(145)
Total Other Financing Sources (Uses)	11,589	11,374	(215)	4,167	4,022	(145)
Net Change in Fund Balances	98	(116)	(214)	35	(109)	(144)
Fund Balances - Beginning	11,851	11,851	—	4,305	4,305	—
Fund Balances - Ending	<u>\$ 11,949</u>	<u>\$ 11,735</u>	<u>\$ (214)</u>	<u>\$ 4,340</u>	<u>\$ 4,196</u>	<u>\$ (144)</u>
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(8,670)			(3,100)	
Investments at Fair Value		8,630			3,085	
Receivables, Net		24			9	
Deferred Inflows of Resources		(13)			(5)	
Fund Balances - GAAP Basis		<u>\$ 11,706</u>			<u>\$ 4,185</u>	

Stormwater Control Bond and Interest			Fulton State Hospital Bond and Interest		
Budget	Actual	Variance	Budget	Actual	Variance
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—
16	16	—	113	112	(1)
16	16	—	113	112	(1)
1,779	1,778	1	12,342	12,342	—
1,779	1,778	1	12,342	12,342	—
(1,763)	(1,762)	1	(12,229)	(12,230)	(1)
1,778	1,745	(33)	12,338	12,111	(227)
1,778	1,745	(33)	12,338	12,111	(227)
15	(17)	(32)	109	(119)	(228)
1,811	1,811	—	12,570	12,570	—
\$ 1,826	\$ 1,794	\$ (32)	\$ 12,679	\$ 12,451	\$ (228)
	(1,325)			(9,199)	
	1,319			9,158	
	4			26	
	(2)			(14)	
	\$ 1,790			\$ 12,422	

This statement is continued on page 179.

	Missouri Road Bond			Totals		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Vehicle Sales and Use Tax	\$ 181,644	\$ 224,111	\$ 42,467	\$ 181,644	\$ 224,111	\$ 42,467
Contributions and Intergovernmental	6,946	3,563	(3,383)	6,946	3,563	(3,383)
Interest	568	619	51	841	893	52
Total Revenues	189,158	228,293	39,135	189,431	228,567	39,136
Expenditures:						
Debt Service	201,260	182,469	18,791	231,148	212,356	18,792
Total Expenditures	201,260	182,469	18,791	231,148	212,356	18,792
Excess Revenues (Expenditures)	(12,102)	45,824	57,926	(41,717)	16,211	57,928
Other Financing Sources (Uses):						
Transfers In	—	—	—	29,872	29,252	(620)
Total Other Financing Sources (Uses)	—	—	—	29,872	29,252	(620)
Net Change in Fund Balances	(12,102)	45,824	57,926	(11,845)	45,463	57,308
Fund Balances - Beginning	31,937	31,937	—	62,474	62,474	—
Fund Balances - Ending	<u>\$ 19,835</u>	<u>\$ 77,761</u>	<u>\$ 57,926</u>	<u>\$ 50,629</u>	<u>\$ 107,937</u>	<u>\$ 57,308</u>
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(52,465)			(74,759)	
Investments at Fair Value		52,290			74,482	
Receivables, Net		20,886			20,949	
Deferred Inflows of Resources		—			(34)	
Fund Balances - GAAP Basis		<u>\$ 98,472</u>			<u>\$ 128,575</u>	

This statement is continued from page 178.



*The **Capital Projects Funds** account for financial resources to be used for the acquisition or construction of major capital facilities.*

Non-Major Capital Projects Funds:

Board of Public Buildings - Accounts for bond sale proceeds to be used for renovating state buildings and structures.

Fulton State Hospital - Accounts for proceeds from the sale of bonds to be used for the completion of the design and construction of the replacement for Fulton State Hospital.

State Historical Society - Accounts for proceeds from the sale of bonds to be used for the design, acquisition, and construction of the building for the State Historical Society.

**STATE OF MISSOURI
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
June 30, 2021
(In Thousands of Dollars)**

	Board of Public Buildings	Fulton State Hospital	Totals June 30, 2021
ASSETS			
Cash and Cash Equivalents	\$ 5,258	\$ 1,238	\$ 6,496
Investments	14,804	3,486	18,290
Interest Receivable	46	10	56
Total Assets	<u>\$ 20,108</u>	<u>\$ 4,734</u>	<u>\$ 24,842</u>
LIABILITIES			
Accounts Payable	\$ 618	\$ —	\$ 618
Total Liabilities	<u>618</u>	<u>—</u>	<u>618</u>
DEFERRED INFLOWS OF RESOURCES	<u>25</u>	<u>5</u>	<u>30</u>
FUND BALANCES			
Restricted	<u>19,465</u>	<u>4,729</u>	<u>24,194</u>
Total Fund Balances	<u>19,465</u>	<u>4,729</u>	<u>24,194</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 20,108</u>	<u>\$ 4,734</u>	<u>\$ 24,842</u>

NOTE: The State Historical Society is not included in the Non-Major Capital Projects Funds Combining Balance Sheet because there were no assets, liabilities, or fund balance at June 30, 2021.

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Board of Public Buildings	Fulton State Hospital	State Historical Society	Totals June 30, 2021
Revenues:				
Investment Earnings:				
Net Increase (Decrease) in the Fair Value of Investments	\$ (223)	\$ (44)	\$ (7)	\$ (274)
Interest	188	35	2	225
Total Revenues	(35)	(9)	(5)	(49)
Expenditures:				
Current:				
General Government	14	—	—	14
Education	829	—	—	829
Capital Outlay:				
General Government	7,270	—	—	7,270
Natural and Economic Resources	23	—	—	23
Human Services	135	299	—	434
Debt Service:				
Principal	—	—	1,194	1,194
Interest	251	—	—	251
Total Expenditures	8,522	299	1,194	10,015
Excess Revenues (Expenditures)	(8,557)	(308)	(1,199)	(10,064)
Net Change in Fund Balances	(8,557)	(308)	(1,199)	(10,064)
Fund Balances - Beginning	28,022	5,037	1,199	34,258
Fund Balances - Ending	\$ 19,465	\$ 4,729	\$ —	\$ 24,194

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
NON-MAJOR CAPITAL PROJECT FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Board of Public Buildings			Fulton State Hospital		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Interest	\$ 244	\$ 245	\$ 1	\$ 44	\$ 44	\$ —
Total Revenues	<u>244</u>	<u>245</u>	<u>1</u>	<u>44</u>	<u>44</u>	<u>—</u>
Expenditures:						
Current:						
General Government	10,667	5,916	4,751	—	—	—
Education	1,372	829	543	—	—	—
Natural and Economic Resources	95	95	—	—	—	—
Human Services	1,438	126	1,312	107	107	—
Capital Outlays:						
General Government	1,352	750	602	—	—	—
Natural and Economic Resources	27	27	—	—	—	—
Human Services	102	9	93	192	192	—
Debt Service	453	251	202	—	—	—
Total Expenditures	<u>15,506</u>	<u>8,003</u>	<u>7,503</u>	<u>299</u>	<u>299</u>	<u>—</u>
Excess Revenues (Expenditures)	<u>(15,262)</u>	<u>(7,758)</u>	<u>7,504</u>	<u>(255)</u>	<u>(255)</u>	<u>—</u>
Net Changes in Fund Balances	<u>(15,262)</u>	<u>(7,758)</u>	<u>7,504</u>	<u>(255)</u>	<u>(255)</u>	<u>—</u>
Fund Balances - Beginning	27,888	27,888	—	4,996	4,996	—
Fund Balances - Ending	<u>\$ 12,626</u>	<u>\$ 20,130</u>	<u>\$ 7,504</u>	<u>\$ 4,741</u>	<u>\$ 4,741</u>	<u>\$ —</u>
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(14,872)			(3,503)	
Investments at Fair Value		14,804			3,486	
Receivables, Net		46			10	
Account Payable		(618)			—	
Deferred Inflows of Resources		(25)			(5)	
Fund Balance - GAAP Basis		<u>\$ 19,465</u>			<u>\$ 4,729</u>	

State Historical Society			Total		
Budget	Actual	Variance	Budget	Actual	Variance
\$ 6	\$ 6	\$ —	\$ 294	\$ 295	\$ 1
6	6	—	294	295	1
—	—	—	10,667	5,916	4,751
—	—	—	1,372	829	543
—	—	—	95	95	—
—	—	—	1,545	233	1,312
—	—	—	1,352	750	602
—	—	—	27	27	—
—	—	—	294	201	93
1,194	1,194	—	1,647	1,445	202
1,194	1,194	—	16,999	9,496	7,503
(1,188)	(1,188)	—	(16,705)	(9,201)	7,504
(1,188)	(1,188)	—	(16,705)	(9,201)	7,504
1,188	1,188	—	34,072	34,072	—
\$ —	\$ —	\$ —	\$ 17,367	\$ 24,871	\$ 7,504
	—			(18,375)	
	—			18,290	
	—			56	
	—			(618)	
	—			(30)	
	\$ —			\$ 24,194	



*The **Permanent Funds** account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the government's programs.*

Permanent Funds:

Arrow Rock State Historic Site Endowment - Accounts for moneys transferred from the State Parks Earnings Fund, as well as other moneys or property received by grant, gift, donation, or bequest specified for the enhancement of the Arrow Rock State Historic Site.

Confederate Memorial Park - Accounts for the income from investments acquired by gifts, donations, and bequests to be used for the maintenance of the Confederate Memorial Park.

State Public School - Accounts for all moneys, bonds, lands, and other properties belonging to or donated to the State for public school use in establishing and maintaining free public schools.

Smith Memorial Endowment Trust - Accounts for moneys bequeathed for the use and benefit of the Crippled Children's Service.

**STATE OF MISSOURI
COMBINING BALANCE SHEET
PERMANENT FUNDS
June 30, 2021
(In Thousands of Dollars)**

	Arrow Rock State Historic Site Endowment	Confederate Memorial Park	State Public School	Smith Memorial Endowment Trust	Totals June 30, 2021
ASSETS					
Cash and Cash Equivalents	\$ 11	\$ 70	\$ 31	\$ 140	\$ 252
Investments	19	118	64,423	236	64,796
Total Assets	<u>\$ 30</u>	<u>\$ 188</u>	<u>\$ 64,454</u>	<u>\$ 376</u>	<u>\$ 65,048</u>
FUND BALANCES					
Nonspendable	\$ 30	\$ 75	\$ 64,454	\$ 365	\$ 64,924
Assigned	—	113	—	11	124
Total Fund Balances	<u>30</u>	<u>188</u>	<u>64,454</u>	<u>376</u>	<u>65,048</u>
Total Liabilities and Fund Balances	<u>\$ 30</u>	<u>\$ 188</u>	<u>\$ 64,454</u>	<u>\$ 376</u>	<u>\$ 65,048</u>

Note: There were no liabilities for the fiscal year ended June 30, 2021.

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
PERMANENT FUNDS

For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Arrow Rock State Historic Site Endowment	Confederate Memorial Park	State Public School	Smith Memorial Endowment Trust	Totals June 30, 2021
Revenues:					
Investment Earnings:					
Net Increase (Decrease) in the					
Fair Value of Investments	\$ —	\$ —	\$ (548)	\$ —	\$ (548)
Interest	—	1	—	2	3
Penalties and Unclaimed					
Properties	—	—	2,342	—	2,342
Total Revenues	—	1	1,794	2	1,797
Net Change in Fund Balances	—	1	1,794	2	1,797
Fund Balances - Beginning	30	187	62,660	374	63,251
Fund Balances - Ending	<u>\$ 30</u>	<u>\$ 188</u>	<u>\$ 64,454</u>	<u>\$ 376</u>	<u>\$ 65,048</u>

NOTE: There were no expenditures for the fiscal year ended June 30, 2021.

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL PERMANENT FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Arrow Rock State Historic Site Endowment			Confederate Memorial Park		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Interest	\$ —	\$ —	\$ —	\$ 1	\$ 1	\$ —
Penalties and Unclaimed Property	—	—	—	—	—	—
Reimbursement/Miscellaneous	—	—	—	—	—	—
Total Revenues	—	—	—	1	1	—
Expenditures:						
Current:						
Human Services	—	—	—	—	—	—
Total Expenditures	—	—	—	—	—	—
Excess Revenues (Expenditures)	—	—	—	1	1	—
Other Financing Sources (Uses):						
Transfers In	—	—	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—	—	—
Net Changes in Fund Balances	—	—	—	1	1	—
Fund Balances - Beginning	30	30	—	187	187	—
Fund Balances - Ending	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ —</u>	<u>\$ 188</u>	<u>\$ 188</u>	<u>\$ —</u>
Reconciling Items:						
Reclassifying Cash Equivalents as Investments		(19)			(118)	
Investments at Fair Value		19			118	
Fund Balance - GAAP Basis		<u>\$ 30</u>			<u>\$ 188</u>	

State Public School			Smith Memorial Endowment Trust		
Budget	Actual	Variance	Budget	Actual	Variance
\$ —	\$ —	\$ —	\$ 6	\$ 2	\$ (4)
—	58	58	—	—	—
—	874	874	—	—	—
—	932	932	6	2	(4)
—	—	—	10	—	10
—	—	—	10	—	10
—	932	932	(4)	2	6
3,250	2,284	(966)	—	—	—
3,250	2,284	(966)	—	—	—
3,250	3,216	(34)	(4)	2	6
52,493	52,493	—	373	373	—
\$ 55,743	\$ 55,709	\$ (34)	\$ 369	\$ 375	\$ 6
	(55,678)			(235)	
	64,423			236	
	\$ 64,454			\$ 376	

This statement is continued on page 192.

	Totals		
	Budget	Actual	Variance
Revenues:			
Interest	\$ 7	\$ 3	\$ (4)
Penalties and Unclaimed Property	—	58	58
Reimbursement/Miscellaneous	—	874	874
Total Revenues	7	935	928
Expenditures:			
Current:			
Human Services	10	—	10
Total Expenditures	10	—	10
Excess Revenues (Expenditures)	(3)	935	938
Other Financing Sources (Uses):			
Transfers In	3,250	2,284	(966)
Total Other Financing Sources (Uses)	3,250	2,284	(966)
Net Changes in Fund Balances	3,247	3,219	(28)
Fund Balances - Beginning	53,083	53,083	—
Fund Balances - Ending	<u>\$ 56,330</u>	<u>\$ 56,302</u>	<u>\$ (28)</u>
Reconciling Items:			
Reclassifying Cash Equivalents as Investments		(56,050)	
Investments at Fair Value		64,796	
Fund Balance - GAAP Basis		<u>\$ 65,048</u>	

This statement is continued from page 191.



*The **Enterprise Funds** account for operations that are financed and operated in a manner similar to private business enterprises.*

Non-Major Enterprise Funds:

State Fair Fees - Accounts for the fairground admission fees used to improve the grounds and to pay the operating costs of the State Fair.

State Parks - Accounts for park concessions and contributions which are used to acquire and operate state parks.

Natural Resources Revolving Services - Accounts for moneys received from the delivery of services and the sale or resale of maps, plats, reports, studies, records, and other publications and documents.

Historic Preservation Revolving - Accounts for gifts, grants, and contributions used to acquire, preserve, restore, maintain, or operate any historical properties.

Petroleum Storage Tank Insurance - Accounts for moneys collected from transport load fees and participating owners of petroleum storage tanks for cleanup of contamination caused by releases from petroleum storage tanks.

State Agency for Surplus Property - Accounts for the surplus property operation.

Department of Revenue Information - Accounts for fees received by the Department of Revenue for publications and used to pay the costs of providing this information.

Inmate Canteen - Accounts for sales of the canteen or commissary which is used to improve offender recreational, religious, or education services.

STATE OF MISSOURI
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
June 30, 2021
(In Thousands of Dollars)

	State Fair Fees	State Parks	Natural Resources Revolving Services
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 664	\$ 9,148	\$ 706
Investments	1,112	15,320	1,183
Accounts Receivable, Net	191	—	—
Interest Receivable	1	23	—
Due from Other Funds	2	—	152
Inventories	5	970	7
Loans Receivable	—	—	—
Total Current Assets	<u>1,975</u>	<u>25,461</u>	<u>2,048</u>
Non-Current Assets:			
Capital Assets:			
Construction in Progress	180	1,949	—
Land	—	32,315	—
Land Improvements	173	50,816	—
Temporary Easements	—	50	—
Buildings	756	50,439	—
Equipment	536	15,440	17,404
Software	7	—	—
Less Accumulated Depreciation/Amortization	(1,012)	(50,206)	(11,664)
Total Non-Current Assets	<u>640</u>	<u>100,803</u>	<u>5,740</u>
Total Assets	<u>2,615</u>	<u>126,264</u>	<u>7,788</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>251</u>	<u>720</u>	<u>114</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	29	655	24
Accrued Payroll	25	56	6
Due to Other Funds	3	5	2
Unearned Revenue	—	1	—
Claims Liability	—	—	—
Compensated Absences	4	85	21
Total Current Liabilities	<u>61</u>	<u>802</u>	<u>53</u>
Non-Current Liabilities:			
Claims Liability	—	—	—
Compensated Absences	—	29	—
Asset Retirement Obligations	—	—	2
Net OPEB Liability	310	1,652	51
Net Pension Liability	1,125	4,194	224
Total Non-Current Liabilities	<u>1,435</u>	<u>5,875</u>	<u>277</u>
Total Liabilities	<u>1,496</u>	<u>6,677</u>	<u>330</u>
DEFERRED INFLOWS OF RESOURCES	<u>56</u>	<u>149</u>	<u>23</u>
NET POSITION			
Net Investment in Capital Assets	640	100,803	5,740
Unrestricted	674	19,355	1,809
Total Net Position	<u>\$ 1,314</u>	<u>\$ 120,158</u>	<u>\$ 7,549</u>

					Totals
Historic Preservation Revolving	Petroleum Storage Tank Insurance	State Agency For Surplus Property	Department of Revenue Information	Inmate Canteen	June 30, 2021
\$ 365	\$ 15,634	\$ 503	\$ 247	\$ 1,923	\$ 29,190
612	25,425	843	420	3,218	48,133
—	2,022	49	12	—	2,274
4	40	1	—	—	69
—	—	—	—	—	154
—	—	—	—	3,127	4,109
85	—	—	—	—	85
<u>1,066</u>	<u>43,121</u>	<u>1,396</u>	<u>679</u>	<u>8,268</u>	<u>84,014</u>
—	—	—	—	—	2,129
—	—	—	—	—	32,315
—	—	250	—	—	51,239
—	—	—	—	—	50
480	—	1,909	—	—	53,584
7	154	1,162	78	1,164	35,945
—	—	185	—	—	192
(253)	(138)	(2,619)	(78)	(362)	(66,332)
<u>234</u>	<u>16</u>	<u>887</u>	<u>—</u>	<u>802</u>	<u>109,122</u>
<u>1,300</u>	<u>43,137</u>	<u>2,283</u>	<u>679</u>	<u>9,070</u>	<u>193,136</u>
<u>106</u>	<u>753</u>	<u>366</u>	<u>—</u>	<u>1,915</u>	<u>4,225</u>
3	342	11	—	1,679	2,743
8	44	22	—	77	238
—	3	—	—	2	15
—	498	—	—	—	499
—	11,000	—	—	—	11,000
11	59	53	—	245	478
<u>22</u>	<u>11,946</u>	<u>86</u>	<u>—</u>	<u>2,003</u>	<u>14,973</u>
—	76,213	—	—	—	76,213
7	—	—	—	—	36
—	—	—	—	—	2
164	903	642	—	352	4,074
<u>460</u>	<u>3,090</u>	<u>2,017</u>	<u>—</u>	<u>2,693</u>	<u>13,803</u>
<u>631</u>	<u>80,206</u>	<u>2,659</u>	<u>—</u>	<u>3,045</u>	<u>94,128</u>
<u>653</u>	<u>92,152</u>	<u>2,745</u>	<u>—</u>	<u>5,048</u>	<u>109,101</u>
<u>22</u>	<u>154</u>	<u>77</u>	<u>—</u>	<u>402</u>	<u>883</u>
234	16	887	—	802	109,122
497	(48,432)	(1,060)	679	4,733	(21,745)
<u>\$ 731</u>	<u>\$ (48,416)</u>	<u>\$ (173)</u>	<u>\$ 679</u>	<u>\$ 5,535</u>	<u>\$ 87,377</u>

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	State Fair Fees	State Parks	Natural Resources Revolving Services
Operating Revenues:			
Licenses, Fees, and Permits	\$ 402	\$ 9,624	\$ 35
Sales	—	790	181
Leases and Rentals	742	3,028	—
Cost Reimbursement/Miscellaneous	4	118	14
Total Operating Revenues	<u>1,148</u>	<u>13,560</u>	<u>230</u>
Operating Expenses:			
Cost of Goods Sold	—	—	740
Personal Service	1,027	2,340	397
Operations	1,089	4,922	57
Specific Programs	9	3	3
Depreciation/Amortization	52	4,126	1,337
Other Charges	86	31	—
Total Operating Expenses	<u>2,263</u>	<u>11,422</u>	<u>2,534</u>
Operating Income (Loss)	<u>(1,115)</u>	<u>2,138</u>	<u>(2,304)</u>
Non-Operating Revenues (Expenses):			
Contributions and Intergovernmental	91	995	1,515
Interest Expense	2	—	—
Investment Earnings:			
Net Increase (Decrease) in the Fair Value of Investments	(6)	(84)	(8)
Interest	—	78	—
Disposal of Capital Assets	2	60	83
Total Non-Operating Revenues (Expenses)	<u>89</u>	<u>1,049</u>	<u>1,590</u>
Income (Loss) Before Transfers	(1,026)	3,187	(714)
Capital Contributions	—	1,722	—
Transfers In	1,600	—	43
Transfers Out	—	—	—
Change in Net Position	<u>574</u>	<u>4,909</u>	<u>(671)</u>
Total Net Position - Beginning	<u>740</u>	<u>115,249</u>	<u>8,220</u>
Total Net Position - Ending	<u>\$ 1,314</u>	<u>\$ 120,158</u>	<u>\$ 7,549</u>

					Totals June 30, 2021
Historic Preservation Revolving	Petroleum Storage Tank Insurance	State Agency For Surplus Property	Department of Revenue Information	Inmate Canteen	
\$ —	\$ 17,359	\$ —	\$ —	\$ —	\$ 27,420
—	—	992	628	28,721	31,312
—	—	—	—	—	3,770
—	—	94	1	1,314	1,545
—	17,359	1,086	629	30,035	64,047
—	—	342	—	23,059	24,141
363	2,451	1,236	—	6,228	14,042
—	4,022	236	7	2,784	13,117
—	10,651	—	—	—	10,666
10	6	119	—	193	5,843
3	123	3	—	273	519
376	17,253	1,936	7	32,537	68,328
(376)	106	(850)	622	(2,502)	(4,281)
—	—	—	—	30	2,631
—	139	—	—	—	141
(4)	(3)	(6)	(3)	(22)	(136)
4	—	5	—	—	87
—	—	215	—	(2)	358
—	136	214	(3)	6	3,081
(376)	242	(636)	619	(2,496)	(1,200)
—	—	—	—	—	1,722
151	—	—	—	—	1,794
—	—	(30)	(648)	—	(678)
(225)	242	(666)	(29)	(2,496)	1,638
956	(48,658)	493	708	8,031	85,739
\$ 731	\$ (48,416)	\$ (173)	\$ 679	\$ 5,535	\$ 87,377

STATE OF MISSOURI
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	State Fair Fees	State Parks	Natural Resources Revolving Services
Cash Flows from Operating Activities:			
Receipts from Internal Customers and Users	\$ 40	\$ —	\$ —
Receipts from External Customers and Users	951	13,443	216
Payments to Suppliers	(1,179)	(4,585)	(867)
Payments to Employees	(881)	(2,017)	(342)
Payments Made for Program Expense	(9)	(3)	(3)
Other Receipts	4	118	14
Other Payments	(86)	(31)	—
Net Cash Provided (Used) by Operating Activities	<u>(1,160)</u>	<u>6,925</u>	<u>(982)</u>
Cash Flows from Non-Capital Financing Activities:			
Loans Made to Outside Entities	—	—	—
Due to Other Funds	(2)	1	—
Due from Other Funds	—	1	(75)
Contributions and Intergovernmental	91	995	1,515
Transfers to Other Funds	—	—	—
Transfers from Other Funds	1,600	—	43
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>1,689</u>	<u>997</u>	<u>1,483</u>
Cash Flows from Capital and Related Financing Activities:			
Interest Expense	2	—	—
Purchases and Construction of Capital Assets	(178)	(1,888)	(826)
Disposal of Capital Assets	—	—	—
Net Cash Provided (Used) by Capital and Related Financing	<u>(176)</u>	<u>(1,888)</u>	<u>(826)</u>
Cash Flows from Investing Activities:			
Purchase of Investments	(537)	(7,903)	(287)
Interest and Dividends Received	2	95	—
Net Cash Provided (Used) by Investing Activities	<u>(535)</u>	<u>(7,808)</u>	<u>(287)</u>
Net Increase (Decrease) in Cash	(182)	(1,774)	(612)
Cash and Cash Equivalents, Beginning of Year	846	10,922	1,318
Cash and Cash Equivalents, End of Year	<u>\$ 664</u>	<u>\$ 9,148</u>	<u>\$ 706</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (1,115)	\$ 2,138	\$ (2,304)
Depreciation/Amortization Expense	52	4,126	1,337
Changes in Assets and Liabilities:			
Accounts Receivable	(153)	—	—
Inventories	—	(12)	17
Deferred Outflows of Resources	50	92	(43)
Accounts Payable	(90)	349	(87)
Accrued Payroll	6	(2)	(3)
Unearned Revenue	—	1	—
Claims Liability	—	—	—
Compensated Absences	(17)	(13)	6
Net OPEB Liability	4	8	(1)
Net Pension Liability	90	199	78
Deferred Inflows of Resources	13	39	18
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,160)</u>	<u>\$ 6,925</u>	<u>\$ (982)</u>
Non-Cash Financing and Investing Activities:			
Capital Asset Donations	\$ —	\$ 1,722	\$ —
Increase (Decrease) in Fair Value of Investments	(6)	(84)	(8)
Net Non-Cash Financing and Investing Activities	<u>\$ (6)</u>	<u>\$ 1,638</u>	<u>\$ (8)</u>

					Totals
Historic Preservation Revolving	Petroleum Storage Tank Insurance	State Agency for Surplus Property	Department of Revenue Information	Inmate Canteen	June 30, 2021
\$ —	\$ —	\$ 249	\$ —	\$ —	\$ 289
—	17,188	766	636	28,721	61,921
1	(3,853)	(576)	(7)	(25,177)	(36,243)
(313)	(2,200)	(1,064)	—	(5,325)	(12,142)
—	(8,601)	—	—	—	(8,616)
—	—	94	1	1,314	1,545
(3)	(123)	(3)	—	(273)	(519)
<u>(315)</u>	<u>2,411</u>	<u>(534)</u>	<u>630</u>	<u>(740)</u>	<u>6,235</u>
22	—	—	—	—	22
(1)	2	(2)	—	(2)	(4)
—	—	—	—	—	(74)
—	—	—	—	30	2,631
—	—	(30)	(648)	—	(678)
151	—	—	—	—	1,794
<u>172</u>	<u>2</u>	<u>(32)</u>	<u>(648)</u>	<u>28</u>	<u>3,691</u>
—	139	—	—	—	141
—	(1)	—	—	(253)	(3,146)
1	—	216	—	—	217
<u>1</u>	<u>138</u>	<u>216</u>	<u>—</u>	<u>(253)</u>	<u>(2,788)</u>
(162)	(9,974)	(161)	(136)	(753)	(19,913)
6	40	8	—	—	151
<u>(156)</u>	<u>(9,934)</u>	<u>(153)</u>	<u>(136)</u>	<u>(753)</u>	<u>(19,762)</u>
(298)	(7,383)	(503)	(154)	(1,718)	(12,624)
663	23,017	1,006	401	3,641	41,814
<u>\$ 365</u>	<u>\$ 15,634</u>	<u>\$ 503</u>	<u>\$ 247</u>	<u>\$ 1,923</u>	<u>\$ 29,190</u>
\$ (376)	\$ 106	\$ (850)	\$ 622	\$ (2,502)	\$ (4,281)
10	6	119	—	193	5,843
—	(167)	23	8	—	(289)
—	—	—	—	289	294
(1)	(10)	81	—	(810)	(641)
1	169	2	—	377	721
—	(18)	(5)	—	(61)	(83)
—	(4)	—	—	—	(3)
—	2,050	—	—	—	2,050
3	(87)	(14)	—	(6)	(128)
1	4	5	—	(28)	(7)
39	301	90	—	1,461	2,258
8	61	15	—	347	501
<u>\$ (315)</u>	<u>\$ 2,411</u>	<u>\$ (534)</u>	<u>\$ 630</u>	<u>\$ (740)</u>	<u>\$ 6,235</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,722
(4)	(3)	(6)	(3)	(22)	(136)
<u>\$ (4)</u>	<u>\$ (3)</u>	<u>\$ (6)</u>	<u>\$ (3)</u>	<u>\$ (22)</u>	<u>\$ 1,586</u>



*The **Internal Service Funds** account for the financing of goods or services provided by one department or agency to other departments or agencies of the State on a cost-reimbursement basis.*

Internal Service Funds:

Natural Resources Cost Allocation - Accounts for the administrative costs of the Department of Natural Resources.

Mental Health Interagency Payments - Accounts for moneys received through interagency agreements for services provided by other agencies.

State Facility Maintenance and Operation - Accounts for moneys collected from tenants for rent to cover the costs of operations in state-owned office buildings and institutions, charges to tenants in leased space to cover costs of real estate administrative services, and charges to capital improvement projects to cover the costs of project management services.

Office of Administration Revolving - Accounts for the following operations: printing services, flight operations, vehicle management, garage services, data processing and telecommunication services, building and grounds, insurance services, postage, and personnel administration.

Working Capital Revolving - Accounts for the operation of correctional industry programs and correctional farm programs.

General Government Revolving - Accounts for various service operations of the House of Representatives, Supreme Court, Adjutant General, Senate, Treasurer, and Department of Corrections.

Social Services Administrative Trust - Accounts for moneys transferred or paid to the Department of Social Services from any governmental entity or the public for goods and services provided.

Economic Development Administrative - Accounts for moneys collected for goods and services provided to other divisions and used to pay the cost of providing such services.

Professional Registration Fees - Accounts for moneys received from the professional boards for administrative services.

Conservation Employees' Insurance Plan - Accounts for health insurance coverage on a self-insured basis and life insurance coverage by a third party provider for Department of Conservation employees.

Transportation Self-Insurance Plan - Accounts for highway and highway patrol moneys used to pay workers' compensation claims. Moneys are also used to pay auto claims against the Department of Transportation.

Missouri State Employees' Insurance Plan - Accounts for long-term disability and death benefits provided on a self-insured basis for state employees.

Missouri Consolidated Health Care Plan - Accounts for medical care benefits provided on a self-insured basis for active state employees.

MoDOT and MSHP Medical and Life Insurance Plan - Accounts for the medical coverage provided on a self-insured basis and death benefits provided on an insured basis to Department of Transportation employees and members of the Missouri State Highway Patrol.

STATE OF MISSOURI
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2021
(In Thousands of Dollars)

	Natural Resources Cost Allocation	Mental Health Interagency Payments	State Facility Maintenance and Operation	Office of Administration Revolving	Working Capital Revolving	General Government Revolving
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 365	\$ 371	\$ 1,344	\$ 9,655	\$ 4,256	\$ 2,067
Investments	610	622	2,252	18,551	7,125	3,460
Restricted:						
Investments	—	—	—	—	—	—
Accounts Receivable, Net	—	—	—	3,877	311	51,618
Interest Receivable	—	—	—	17	—	—
Due from Other Funds	—	—	55	8,464	293	6
Due from Component Units	—	—	—	1	—	—
Inventories	—	—	600	1,554	8,292	2
Prepaid Items	—	—	—	—	—	—
Total Current Assets	975	993	4,251	42,119	20,277	57,153
Non-Current Assets:						
Investments	—	—	—	—	—	—
Restricted Assets:						
Cash and Cash Equivalents	—	—	—	1,428	—	—
Investments	—	—	—	—	—	—
Capital Assets:						
Construction in Progress	—	—	38	—	—	—
Software in Progress	402	—	—	1,947	—	—
Land	—	—	8,293	—	41	—
Land Improvements	—	—	3,592	—	—	—
Buildings	215	—	483,144	2,915	6,368	—
Equipment	3,851	950	14,851	103,003	17,001	357
Software	5,231	603	98	29,826	238	9,467
Less Accumulated Depreciation/Amortization	(8,047)	(1,552)	(261,529)	(111,864)	(21,484)	(9,753)
Total Non-Current Assets	1,652	1	248,487	27,255	2,164	71
Total Assets	2,627	994	252,738	69,374	22,441	57,224
DEFERRED OUTFLOWS OF RESOURCES	3,663	—	11,103	6,940	3,592	26
LIABILITIES						
Current Liabilities:						
Accounts Payable	111	255	1,538	2,357	67	594
Accrued Payroll	268	—	808	483	219	1
Due to Other Funds	76	—	72	—	—	6
Unearned Revenue	—	—	—	101	—	—
Claims Liability	—	—	—	—	—	—
Obligations under Financed Purchases	244	—	—	5,878	—	—
Obligations under Lease Purchase	—	—	1,967	92	21	—
Compensated Absences	451	—	1,582	775	446	—
Total Current Liabilities	1,150	255	5,967	9,686	753	601
Non-Current Liabilities:						
Claims Liability	—	—	—	—	—	—
Obligations under Financed Purchases	173	—	—	2,589	—	—
Obligations under Lease Purchase	—	—	19,976	193	43	—
Compensated Absences	194	—	364	333	—	—
Net OPEB Liability	6,828	—	22,203	9,573	6,735	840
Net Pension Liability	19,970	—	57,937	32,656	20,377	1,543
Total Non-Current Liabilities	27,165	—	100,480	45,344	27,155	2,383
Total Liabilities	28,315	255	106,447	55,030	27,908	2,984
DEFERRED INFLOWS OF RESOURCES	786	—	2,316	1,471	801	4
NET POSITION						
Net Investment in Capital Assets	1,235	1	226,544	17,075	2,100	71
Restricted for:						
Other Purposes	—	—	—	1,366	—	—
Unrestricted	(24,046)	738	(71,466)	1,372	(4,776)	54,191
Total Net Position	\$ (22,811)	\$ 739	\$ 155,078	\$ 19,813	\$ (2,676)	\$ 54,262

Social Services Administrative Trust	Economic Development Administrative	Professional Registration Fees	Conservation Employees' Insurance Plan	Transportation Self-Insurance Plan	Missouri State Employees' Insurance Plan	Missouri Consolidated Health Care Plan	MoDOT & MSHP Medical and Life Insurance Plan	Totals June 30, 2021
\$ 31 50	\$ 32 53	\$ 211 352	\$ 2,134 7,938	\$ 12,464 6,057	\$ 2,827 —	\$ 245,480 —	\$ 21,016 4,192	\$ 302,253 51,262
—	—	—	—	—	—	—	100	100
—	—	—	763	—	842	16,468	5,216	79,095
—	—	—	13	151	—	—	81	262
80	—	—	—	—	—	—	—	8,898
—	—	—	—	—	—	—	—	1
100	1	11	—	—	—	—	—	10,560
—	—	—	—	—	—	253	—	253
261	86	574	10,848	18,672	3,669	262,201	30,605	452,684
—	—	—	—	94,564	—	—	49,653	144,217
—	—	—	—	—	—	—	—	1,428
—	—	—	—	200	—	—	—	200
—	—	—	—	—	—	—	—	38
—	—	51	—	—	—	—	—	2,400
—	—	—	—	—	—	—	—	8,334
—	—	—	—	—	—	—	—	3,592
—	—	2,353	—	—	—	—	—	494,995
86	140	1,075	—	—	—	1,905	—	143,219
—	9	651	—	—	—	—	—	46,123
(84)	(147)	(2,833)	—	—	—	(1,527)	—	(418,820)
2	2	1,297	—	94,764	—	378	49,653	425,726
263	88	1,871	10,848	113,436	3,669	262,579	80,258	878,410
1	347	2,258	—	—	—	1,382	—	29,312
102	9	76	34	33	3,548	12,611	2,027	23,362
—	27	166	—	—	—	—	—	1,972
—	3	46	—	—	—	40,225	—	40,428
—	—	—	40	—	—	20,095	11,173	31,409
—	—	—	2,722	22,421	—	42,748	11,900	79,791
—	—	—	—	—	—	—	—	6,122
—	—	5	—	—	—	—	—	2,085
—	36	290	—	—	—	11	—	3,591
102	75	583	2,796	22,454	3,548	115,690	25,100	188,760
—	—	—	—	55,392	—	—	—	55,392
—	—	—	—	—	—	—	—	2,762
—	—	12	—	—	—	—	—	20,224
—	28	70	—	—	—	273	—	1,262
—	1,005	3,441	—	—	—	—	—	50,625
2	2,900	10,875	—	—	—	9,081	—	155,341
2	3,933	14,398	—	55,392	—	9,354	—	285,606
104	4,008	14,981	2,796	77,846	3,548	125,044	25,100	474,366
—	77	479	—	—	—	325	—	6,259
2	2	1,280	—	—	—	378	—	248,688
—	—	—	—	200	—	—	100	1,666
158	(3,652)	(12,611)	8,052	35,390	121	138,214	55,058	176,743
\$ 160	\$ (3,650)	\$ (11,331)	\$ 8,052	\$ 35,590	\$ 121	\$ 138,592	\$ 55,158	\$ 427,097

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Natural Resources Cost Allocation	Mental Health Interagency Payments	State Facility Maintenance and Operation	Office of Administration Revolving	Working Capital Revolving	General Government Revolving
Operating Revenues:						
Employer Contributions	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Employee Contributions	—	—	—	—	—	—
Medicare Part D Subsidy	—	—	—	—	—	—
Licenses, Fees, and Permits	—	—	—	—	—	9,780
Sales	—	—	—	—	19,817	6
Leases and Rentals	—	—	61,398	—	33	6
Charges for Services	12,294	5,642	5,509	111,773	—	111
Cost Reimbursement/Miscellaneous	41	—	14	1,244	10	19
Total Operating Revenues	12,335	5,642	66,921	113,017	19,860	9,922
Operating Expenses:						
Cost of Goods Sold	—	—	—	11,277	9,526	—
Personal Service	11,112	—	36,998	21,683	11,334	108
Operations	2,325	—	31,860	62,050	2,846	5,437
Specific Programs	1	5,233	24	—	9	3,067
Insurance Benefits	—	—	—	—	—	—
Depreciation/Amortization	678	1	12,454	10,476	621	2
Other Charges	53	—	52	39	1,047	1
Total Operating Expenses	14,169	5,234	81,388	105,525	25,383	8,615
Operating Income (Loss)	(1,834)	408	(14,467)	7,492	(5,523)	1,307
Non-Operating Revenues (Expenses):						
Contributions and Intergovernmental	—	—	14	—	—	37
Interest Expense	—	—	(715)	(274)	(2)	—
Investment Earnings:						
Net Increase (Decrease) in the Fair Value of Investments	(4)	(2)	(16)	(109)	(49)	(15)
Interest	—	—	—	59	—	—
Penalties and Unclaimed Properties	1	—	—	—	—	—
Disposal of Capital Assets	(2)	—	15	148	56	2
Total Non-Operating Revenues (Expenses)	(5)	(2)	(702)	(176)	5	24
Income (Loss) Before Transfers	(1,839)	406	(15,169)	7,316	(5,518)	1,331
Transfers In	—	—	11	1	—	2,389
Transfers Out	—	—	—	(1,832)	—	—
Change in Net Position	(1,839)	406	(15,158)	5,485	(5,518)	3,720
Total Net Position - Beginning	(20,972)	333	170,236	14,328	2,842	50,542
Total Net Position - Ending	\$ (22,811)	\$ 739	\$ 155,078	\$ 19,813	\$ (2,676)	\$ 54,262

Social Services Administrative Trust Fund	Economic Development Administrative	Professional Registration Fees	Conservation Employees' Insurance Plan	Transportation Self-Insurance Plan	Missouri State Employees' Insurance Plan	Missouri Consolidated Health Care Plan	MoDOT & MSHP Medical and Life Insurance Plan	Totals June 30, 2021
\$ —	\$ —	\$ —	\$ 9,639	\$ 15,154	\$ 14,658	\$ 437,336	\$ 93,273	\$ 570,060
—	—	—	8,222	—	16,951	74,013	47,263	146,449
—	—	—	—	—	—	—	8,828	8,828
—	—	6	—	—	—	—	—	9,786
—	—	—	—	—	—	—	—	19,823
—	—	—	—	—	—	—	—	61,437
636	706	7,961	—	—	—	—	—	144,632
7	90	4	2,988	1,030	480	40,757	4,901	51,585
643	796	7,971	20,849	16,184	32,089	552,106	154,265	1,012,600
—	—	—	—	—	—	—	—	20,803
—	1,035	7,483	—	—	342	3,436	—	93,531
681	107	1,313	1,900	951	138	1,553	6,339	117,500
—	2	4	—	—	31,609	—	—	39,949
—	—	—	19,658	27,191	—	450,589	143,336	640,774
1	3	179	—	—	—	79	—	24,494
—	4	341	24	—	—	10,958	—	12,519
682	1,151	9,320	21,582	28,142	32,089	466,615	149,675	949,570
(39)	(355)	(1,349)	(733)	(11,958)	—	85,491	4,590	63,030
—	38	—	—	—	—	—	—	89
—	—	(1)	—	—	—	—	—	(992)
—	—	(3)	(92)	(1,199)	—	—	(664)	(2,153)
—	—	—	110	1,416	2	433	779	2,799
—	—	—	—	—	—	—	—	1
—	—	26	—	—	—	—	—	245
—	38	22	18	217	2	433	115	(11)
(39)	(317)	(1,327)	(715)	(11,741)	2	85,924	4,705	63,019
—	—	—	—	—	—	—	—	2,401
—	—	(26)	—	—	—	—	—	(1,858)
(39)	(317)	(1,353)	(715)	(11,741)	2	85,924	4,705	63,562
199	(3,333)	(9,978)	8,767	47,331	119	52,668	50,453	363,535
\$ 160	\$ (3,650)	\$ (11,331)	\$ 8,052	\$ 35,590	\$ 121	\$ 138,592	\$ 55,158	\$ 427,097

STATE OF MISSOURI
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Natural Resources Cost Allocation	Mental Health Interagency Payments	State Facility Maintenance and Operation	Office of Administration and Revolving	Working Capital Revolving	General Government Revolving
Cash Flows from Operating Activities:						
Receipts from Internal Customers and Users	\$ 12,294	\$ 5,642	\$ 66,907	\$ 96,945	\$ 15,365	\$ 83
Receipts from External Customers and Users	—	—	—	15,016	5,064	9,456
Payments to Suppliers	(2,310)	255	(31,726)	(74,000)	(11,873)	(5,567)
Payments to Employees	(9,320)	—	(31,621)	(18,298)	(9,444)	(106)
Payments Made for Program Expense	(1)	(5,233)	(24)	—	(9)	(3,067)
Other Receipts	41	—	14	1,244	10	19
Other Payments	(53)	—	(52)	(39)	(1,047)	(1)
Net Cash Provided (Used) by Operating Activities	651	664	3,498	20,868	(1,934)	817
Cash Flows from Non-Capital Financing Activities:						
Due to Other Funds	19	—	12	(1)	—	(90)
Due from Other Funds	—	150	(32)	151	(178)	2
Contributions and Intergovernmental	—	—	11	—	—	37
Transfers to Other Funds	—	—	—	(1,832)	—	—
Transfers from Other Funds	—	—	11	1	—	2,389
Net Cash Provided (Used) by Non-Capital Financing Activities	19	150	2	(1,681)	(178)	2,338
Cash Flows from Capital and Related Financing Activities:						
Interest Expense	—	—	(715)	(274)	(2)	—
Purchases and Construction of Capital Assets	(428)	—	(684)	(5,537)	(275)	—
Capital Lease Downpayment/Obligations	—	—	(1,893)	(91)	(20)	—
Financed Purchase Downpayment/Obligations	(173)	—	(956)	(9,003)	—	—
Disposal of Capital Assets	—	—	—	—	—	2
Net Cash Provided (Used) by Capital and Related Financing Activities	(601)	—	(4,248)	(14,905)	(297)	2
Cash Flows from Investing Activities:						
Proceeds from Sales and Investment Maturities	—	—	—	—	—	—
Purchase of Investments	(249)	(551)	(502)	(8,273)	(1,720)	(2,506)
Interest and Dividends Received	—	—	—	74	—	—
Investment Fees	—	—	—	—	—	—
Penalties and Other Receipts	1	—	—	—	—	—
Net Cash Provided (Used) by Investing Activities	(248)	(551)	(502)	(8,199)	(1,720)	(2,506)
Net Increase (Decrease) in Cash	(179)	263	(1,250)	(3,917)	(4,129)	651
Cash and Cash Equivalents, Beginning of Year	544	108	2,594	15,000	8,385	1,416
Cash and Cash Equivalents, End of Year	\$ 365	\$ 371	\$ 1,344	\$ 11,083	\$ 4,256	\$ 2,067
Reconciliation of Operating Income (Loss) of Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	\$ (1,834)	\$ 408	\$ (14,467)	\$ 7,492	\$ (5,523)	\$ 1,307
Depreciation/Amortization Expense	678	1	12,454	10,476	621	2
Changes in Assets and Liabilities:						
Accounts Receivable	—	—	—	138	579	(364)
Inventories	—	—	(300)	(284)	509	—
Deferred Outflows of Resources	731	—	1,780	731	618	7
Prepaid Items	—	—	—	—	—	—
Accounts Payable	15	255	434	(389)	(10)	(130)
Accrued Payroll	(8)	—	(26)	(57)	(46)	(1)
Unearned Revenue	—	—	—	50	—	—
Claims Liability	—	—	—	—	—	—
Compensated Absences	(76)	—	(6)	(32)	(151)	(1)
Net OPEB Liability	52	—	144	71	39	1
Net Pension Liability	931	—	2,965	2,239	1,199	(3)
Deferred Inflows of Resources	162	—	520	433	231	(1)
Net Cash Provided (Used) by Operating Activities	\$ 651	\$ 664	\$ 3,498	\$ 20,868	\$ (1,934)	\$ 817
Non-Cash Financing and Investing Activities:						
Capital Lease and Financed Purchase Issuance	\$ 551	\$ —	\$ —	\$ 3,944	\$ —	\$ —
Capital Asset Donations	—	—	3	—	—	—
Increase (Decrease) in Fair Value of Investments	(4)	(2)	(16)	(109)	(49)	(15)
Net Non-Cash Financing and Investing Activities	\$ 547	\$ (2)	\$ (13)	\$ 3,835	\$ (49)	\$ (15)

Social Services Administrative Trust	Economic Development Administrative	Professional Registration Fees	Conservation Employees' Insurance Plan	Transportation Self-Insurance Plan	Missouri State Employees' Insurance Plan	Missouri Consolidated Health Care Plan	MoDOT & MSHP Medical and Life Insurance Plan	Totals June 30, 2021
\$ 629	\$ 512	\$ —	\$ 9,632	\$ 15,003	\$ —	\$ 435,016	\$ 93,273	\$ 751,301
7	194	7,967	8,366	151	29,890	74,012	55,012	205,135
(576)	(104)	(1,306)	(1,890)	(951)	945	8,412	(5,099)	(125,790)
(9)	(823)	(6,352)	—	—	(342)	(2,901)	—	(79,216)
—	(2)	(4)	(19,817)	(18,223)	(31,609)	(450,439)	(141,936)	(670,364)
7	90	4	2,988	1,030	480	40,757	4,901	51,585
—	(4)	(341)	(24)	—	—	(10,958)	—	(12,519)
58	(137)	(32)	(745)	(2,990)	(636)	93,899	6,151	120,132
—	(2)	20	—	—	(1,435)	16,081	—	14,604
(10)	—	—	—	—	—	—	—	83
—	38	—	—	—	—	—	—	86
—	—	(26)	—	—	—	—	—	(1,858)
—	—	—	—	—	—	—	—	2,401
(10)	36	(6)	—	—	(1,435)	16,081	—	15,316
—	—	(1)	—	—	—	—	—	(992)
—	—	(139)	—	—	—	(279)	—	(7,342)
—	—	(5)	—	—	—	—	—	(2,009)
—	—	(1)	—	—	—	—	—	(10,133)
—	—	—	—	—	—	—	—	2
—	—	(146)	—	—	—	(279)	—	(20,474)
—	22	—	1,626	96,892	4,898	—	48,792	152,230
(37)	—	(51)	—	(93,409)	—	—	(55,732)	(163,030)
—	—	—	122	1,632	2	433	867	3,130
—	—	—	—	(94)	—	—	(48)	(142)
—	—	—	—	—	—	—	—	1
(37)	22	(51)	1,748	5,021	4,900	433	(6,121)	(7,811)
11	(79)	(235)	1,003	2,031	2,829	110,134	30	107,163
20	111	446	1,131	10,433	(2)	135,346	20,986	196,518
\$ 31	\$ 32	\$ 211	\$ 2,134	\$ 12,464	\$ 2,827	\$ 245,480	\$ 21,016	\$ 303,681
\$ (39)	\$ (355)	\$ (1,349)	\$ (733)	\$ (11,958)	\$ —	\$ 85,491	\$ 4,590	\$ 63,030
1	3	179	—	—	—	79	—	24,494
—	—	—	144	—	161	(292)	(2,872)	(2,506)
13	1	1	—	—	—	—	—	(60)
—	110	339	—	—	—	298	—	4,614
—	—	—	—	—	—	131	—	131
92	2	6	10	—	1,083	9,834	1,240	12,442
—	5	(6)	—	—	—	—	—	(139)
—	—	—	(7)	—	(1,880)	(2,029)	1,793	(2,073)
—	—	—	(159)	8,968	—	150	1,400	10,359
(11)	(3)	5	—	—	—	9	—	(266)
—	6	27	—	—	—	—	—	340
2	82	645	—	—	—	149	—	8,209
—	12	121	—	—	—	79	—	1,557
\$ 58	\$ (137)	\$ (32)	\$ (745)	\$ (2,990)	\$ (636)	\$ 93,899	\$ 6,151	\$ 120,132
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,495
—	—	—	—	—	—	—	—	3
—	—	(3)	(92)	(1,199)	—	—	(664)	(2,153)
\$ —	\$ —	\$ (3)	\$ (92)	\$ (1,199)	\$ —	\$ —	\$ (664)	\$ 2,345



*The **Fiduciary Funds** account for assets held by the State in a trustee or custodial capacity.*

Pension (and Other Employee Benefit) Trust Funds:

Missouri State Employees' Retirement System:

Missouri State Employees' Plan - Accounts for retirement, survivor, and disability benefits paid to employees of the State who are not covered under another state-sponsored retirement plan.

Judicial Plan - Accounts for retirement, survivor, and disability benefits to judges in the State of Missouri.

Missouri Department of Transportation and Highway Patrol Employees' Retirement System - Accounts for retirement, survivor, and disability benefits paid to Department of Transportation employees and members of the Missouri State Highway Patrol.

Missouri Consolidated Health Care Plan State Retiree Welfare Benefit Trust - Accounts for health and welfare benefits paid for the exclusive benefit of current and future retired employees of the State who are not covered under another state-sponsored other post-employment benefit plan.

Missouri State Public Employees' Deferred Compensation Incentive (IRC 401a) Plan - Accounts for retirement benefits paid to employees of the State.

Missouri State Public Employees' Deferred Compensation (IRC 457) Plan - Accounts for deposits from State employees, which are invested for the benefit of the employees until properly authorized to distribute.

Private-Purpose Trust Funds:

Alternative Care Trust - Accounts for all moneys received and spent by the Division of Family Services on behalf of children in their custody.

Unclaimed Property - Accounts for moneys unpaid or unclaimed within one year after final settlement of any executor or administrator, assignee, sheriff or receiver and all unclaimed deposits, dividends, and interest of banks unable to locate the owners.

Custodial Funds:

Program - Accounts for the receipt of various taxes, refundable deposits, and other moneys to be held until the State has the right or obligation to distribute them to various entities or individuals.

Institution - Accounts for deposits to various institutional accounts and other receipts held by the State until there is proper authorization to disburse them directly to others.

STATE OF MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS
June 30, 2021
(In Thousands of Dollars)

	Missouri State Employees' Retirement System		Missouri Department of Transportation and Highway Patrol Employees' Retirement System	Missouri Consolidated Health Care Plan State Retiree Welfare Benefit Trust	Missouri State Public Employees' Deferred Compensation		Totals
	Missouri State Employees' Plan	Judicial Plan			401 (a) Plan	457 Plan	June 30, 2021
ASSETS							
Cash and Cash Equivalents	\$ 4,560	\$ —	\$ 429	\$ 3,701	\$ 909	\$ 1,579	\$ 11,178
Investments at Fair Value	12,572,923	277,467	3,002,538	138,208	696,027	2,075,649	18,762,812
Invested Securities Lending Collateral	—	—	117,449	—	—	—	117,449
Receivables:							
Accounts Receivable	612,581	14,853	22,250	23,520	93	238	673,535
Interest Receivable	119,682	2,641	4,809	—	—	—	127,132
Due From Other Funds	—	—	—	40,225	—	—	40,225
Capital Assets:							
Software in Progress	8,436	—	—	—	—	—	8,436
Land	267	—	159	—	—	—	426
Buildings	4,120	—	582	—	—	—	4,702
Equipment	1,606	—	151	—	—	—	1,757
Software	729	—	3,288	—	—	—	4,017
Accumulated Depreciation/Amortization	(4,087)	—	(3,796)	—	—	—	(7,883)
Total Capital Assets, Net	11,071	—	384	—	—	—	11,455
Total Assets	13,320,817	294,961	3,147,859	205,654	697,029	2,077,466	19,743,786
DEFERRED OUTFLOWS OF RESOURCES							
	896	20	361	—	4	11	1,292
LIABILITIES							
Accounts Payable	149,856	3,296	19,345	237	67	179	172,980
Obligations under Repurchase Agreements	3,642,919	80,394	—	—	—	—	3,723,313
Securities Lending Obligation	—	—	122,748	—	—	—	122,748
Unearned Revenue	—	—	—	6,171	—	—	6,171
Claims Liability	—	—	—	6,786	—	—	6,786
Compensated Absences	799	19	—	—	—	—	818
Net OPEB Liability	7,507	175	2,020	—	1	1	9,704
Total Liabilities	3,801,081	83,884	144,113	13,194	68	180	4,042,520
DEFERRED INFLOWS OF RESOURCES							
	702	16	182	—	7	22	929
Net Position Restricted for Pension Benefits, OPEB, and Deferred Compensation	\$ 9,519,930	\$ 211,081	\$ 3,003,925	\$ 192,460	\$ 696,958	\$ 2,077,275	\$ 15,701,629

STATE OF MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Missouri State Employees' Retirement System		Missouri Department of Transportation and Highway Patrol Employees' Retirement System	Missouri Consolidated Health Care Plan State Retiree Welfare Benefit Trust	Missouri State Public Employees' Deferred Compensation		Totals
	Missouri State Employees' Plan	Judicial Plan			401 (a) Plan	457 Plan	June 30, 2021
Additions:							
Contributions:							
Employer	\$ 463,293	\$ 39,997	\$ 208,213	\$ 74,330	\$ 26	\$ —	\$ 785,859
Plan Member	39,092	1,448	5,334	43,275	—	66,597	155,746
Other	2,299	—	3,842	53,624	1,297	67,447	128,509
Total Contributions	504,684	41,445	217,389	171,229	1,323	134,044	1,070,114
Investment Earnings:							
Increase (Decrease) in Appreciation of Assets	2,104,683	45,537	721,374	—	82,449	360,122	3,314,165
Interest and Dividends	45,505	990	52,744	18,259	11,560	31,622	160,680
Securities Lending Income	—	—	197	—	—	—	197
Other Income	(20,343)	(444)	—	—	—	—	(20,787)
Total Investment Earnings	2,129,845	46,083	774,315	18,259	94,009	391,744	3,454,255
Less Investment Expenses:							
Investment Activity Expense	(96,854)	(2,033)	(74,604)	—	—	—	(173,491)
Securities Lending Expense	—	—	(66)	—	—	—	(66)
Total Investment Expense	(96,854)	(2,033)	(74,670)	—	—	—	(173,557)
Net Investment Earnings (Loss)	2,032,991	44,050	699,645	18,259	94,009	391,744	3,280,698
Cost Reimbursement/ Miscellaneous	80	—	—	—	641	1,652	2,373
Total Additions	2,537,755	85,495	917,034	189,488	95,973	527,440	4,353,185
Deductions:							
Benefits	911,333	41,626	270,123	153,998	42,643	—	1,419,723
Administrative Expenses	8,817	76	4,564	2,922	565	2,186	19,130
Program Distributions	5,894	—	—	—	—	104,396	110,290
Inactive-vested Buyout Payments	92	—	—	—	—	—	92
Service Transfer Payments	2,520	—	—	—	—	—	2,520
Depreciation/Amortization	—	—	22	—	—	—	22
Total Deductions	928,656	41,702	274,709	156,920	43,208	106,582	1,551,777
Change in Net Position	1,609,099	43,793	642,325	32,568	52,765	420,858	2,801,408
Net Position - Beginning of Year	7,910,831	167,288	2,361,600	159,892	644,193	1,656,417	12,900,221
Net Position - End of Year	<u>\$ 9,519,930</u>	<u>\$ 211,081</u>	<u>\$ 3,003,925</u>	<u>\$ 192,460</u>	<u>\$ 696,958</u>	<u>\$ 2,077,275</u>	<u>\$ 15,701,629</u>

STATE OF MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
June 30, 2021
(In Thousands of Dollars)

	Alternative Care Trust	Unclaimed Property	Totals June 30, 2021
ASSETS			
Cash and Cash Equivalents	\$ 1,251	\$ 11,442	\$ 12,693
Investments at Fair Value	2,634	19,160	21,794
Assets Held in Escheat	—	29,554	29,554
Account Receivables	102	—	102
Interest Receivable	4	—	4
Inventories	—	1	1
Capital Assets:			
Equipment	—	107	107
Software	—	99	99
Less: Accumulated Depreciation/Amortization	—	(185)	(185)
Total Capital Assets, Net	—	21	21
Total Assets	3,991	60,178	64,169
DEFERRED OUTFLOWS OF RESOURCES	—	333	333
LIABILITIES			
Accounts Payable	811	33	844
Accrued Payroll	—	24	24
Compensated Absences	—	52	52
Net OPEB Liability	—	556	556
Net Pension Liability	—	1,629	1,629
Total Liabilities	811	2,294	3,105
DEFERRED INFLOWS OF RESOURCES	—	70	70
NET POSITION			
Net Position Restricted for Other Purposes	\$ 3,180	\$ 58,147	\$ 61,327

STATE OF MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Alternative Care Trust	Unclaimed Property	Totals June 30, 2021
Additions:			
Increase (Decrease) in Appreciation of Assets	\$ (22)	\$ 5,408	\$ 5,386
Interest	16	53	69
Total Investment Earnings	(6)	5,461	5,455
Unclaimed Property	—	55,014	55,014
Cost Reimbursement/Miscellaneous	12,690	—	12,690
Total Additions	12,684	60,475	73,159
Deductions:			
Administrative Expenses	1	2,342	2,343
Program Distributions	12,462	44,604	57,066
Depreciation/Amortization	—	12	12
Total Deductions	12,463	46,958	59,421
Change in Net Position	221	13,517	13,738
Net Position - Beginning	2,959	44,630	47,589
Net Position - Ending	\$ 3,180	\$ 58,147	\$ 61,327

STATE OF MISSOURI
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
June 30, 2021
(In Thousands of Dollars)

	Program	Institution	Totals June 30, 2021
ASSETS			
Cash and Cash Equivalents	\$ 52,050	\$ 33,823	\$ 85,873
Investments at Fair Value	745,295	18	745,313
Receivables:			
Accounts Receivable	543,892	—	543,892
Interest Receivable	110	—	110
Total Assets	<u>1,341,347</u>	<u>33,841</u>	<u>1,375,188</u>
LIABILITIES			
Accounts Payable	38	11	49
Due to Other Entities	32	—	32
Due to Other Governments	7,230	—	7,230
Unearned Revenue	1,256	—	1,256
Total Liabilities	<u>8,556</u>	<u>11</u>	<u>8,567</u>
NET POSITION			
Net Position Restricted for Individuals, Organizations, and Other Governments	<u>\$ 1,332,791</u>	<u>\$ 33,830</u>	<u>\$ 1,366,621</u>

STATE OF MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS

For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Program	Institution	Totals June 30, 2021
Additions:			
Contributions	\$ 3,013,794	\$ 127,397	\$ 3,141,191
Taxes	4,936,426	—	4,936,426
License, Fees, Permits	120,779	—	120,779
Investment Earnings:			
Increase (Decrease) in Appreciation of Assets	(177)	1	(176)
Interest	626	1	627
Investment Expense	(18)	—	(18)
Net Investment Earnings (Loss)	431	2	433
Penalties and Unclaimed Property	366	—	366
Cost Reimbursement/Miscellaneous	1,052	—	1,052
Total Additions	8,072,848	127,399	8,200,247
Deductions:			
Administrative Expenses	38,058	—	38,058
Distributions to Other Entities/Individuals	3,157,673	113,262	3,270,935
Distributions to Other Governments	4,647,221	—	4,647,221
Total Deductions	7,842,952	113,262	7,956,214
Change in Net Position	229,896	14,137	244,033
Net Position - Beginning	1,102,895	19,693	1,122,588
Net Position - Ending	\$ 1,332,791	\$ 33,830	\$ 1,366,621



*The **Component Units** account for all transactions relating to legally separate entities which, for reporting purposes, are a part of the State.*

Non-Major Component Units:

Missouri Development Finance Board - Accounts for moneys from bond proceeds, gifts, and grants to make loans for industrial development.

Missouri Agricultural and Small Business Development Authority - Accounts for moneys from bond proceeds, gifts, and grants to make loans for property acquisitions/renovations and pollution control facilities.

Missouri Transportation Finance Corporation - Accounts for moneys from federal, state or local sources, and from bond proceeds to be used for projects approved by the Missouri Highways and Transportation Commission.

Missouri Wine and Grape Board - Accounts for moneys derived from the privilege of selling wine to be used for marketing development in developing programs for growing, selling, and marketing of grape products grown in Missouri.

State Environmental Improvement Energy Resources Authority - Accounts for moneys derived from the issuance of revenue bonds and notes to finance, acquire, construct and equip projects for the purpose of reducing, preventing or controlling pollution and to provide for the development of energy resources of the State of Missouri.

STATE OF MISSOURI
COMBINING STATEMENT OF NET POSITION
NON-MAJOR COMPONENT UNITS
June 30, 2021
(In Thousands of Dollars)

	Missouri Development Finance Board	Missouri Agricultural and Small Business Development Authority	Missouri Transportation Finance Corporation	Missouri Wine and Grape Board	State Environmental Improvement Energy Resources Authority	Totals June 30, 2021
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 18,370	\$ 512	\$ 25,459	\$ 199	\$ 772	\$ 45,312
Investments	15,937	100	11,087	333	1,950	29,407
Accounts Receivable, Net	87	36	—	—	145	268
Interest Receivable	212	—	287	1	—	500
Restricted Assets:						
Cash and Cash Equivalents	—	1,938	—	—	—	1,938
Investments	—	9,066	—	—	—	9,066
Interest Receivable	—	5	—	—	—	5
Loan Receivable	—	—	3,533	—	—	3,533
Prepaid Items	497	—	—	—	5	502
Loans Receivable	358	—	—	—	316	674
Total Current Assets	35,461	11,657	40,366	533	3,188	91,205
Non-Current Assets:						
Investments	—	—	58,173	—	—	58,173
Loans Receivable	25,055	441	—	—	—	25,496
Restricted Assets:						
Cash and Cash Equivalents	7,803	—	—	—	—	7,803
Investments	4,432	—	—	—	—	4,432
Loans Receivables	—	—	16,530	—	—	16,530
Capital Assets:						
Construction in Progress	54	—	—	—	—	54
Land	7,220	—	—	—	—	7,220
Buildings	80,104	—	—	—	4	80,108
Equipment	1,237	56	—	41	120	1,454
Software & Misc Intangible Assets	23	—	—	3	—	26
Less Accumulated Depreciation/ Amortization	(27,960)	(29)	—	(43)	(124)	(28,156)
Total Non-Current Assets	97,968	468	74,703	1	—	173,140
Total Assets	133,429	12,125	115,069	534	3,188	264,345
DEFERRED OUTFLOWS OF RESOURCES	293	148	—	213	277	931
LIABILITIES						
Current Liabilities:						
Accounts Payable	25	8	4	10	79	126
Accrued Payroll	—	—	—	10	—	10
Interest Payable	10	—	—	—	—	10
Due to Primary Government	—	10	—	1	—	11
Compensated Absences	32	21	—	19	28	100
Bonds and Notes Payable	562	—	—	—	—	562
Total Current Liabilities	629	39	4	40	107	819
Non-Current Liabilities:						
Advance from Primary Government	—	98	—	—	—	98
Unearned Revenue	700	—	—	—	—	700
Deposits and Reserves	7,060	—	—	—	—	7,060
Compensated Absences	18	—	—	11	—	29
Bonds and Notes Payable	12,458	—	—	—	—	12,458
Net OPEB Liability	—	210	—	342	232	784
Net Pension Liability	1,703	619	—	872	723	3,917
Total Non-Current Liabilities	21,939	927	—	1,225	955	25,046
Total Liabilities	22,568	966	4	1,265	1,062	25,865
DEFERRED INFLOWS OF RESOURCES	18	29	—	52	318	417
NET POSITION						
Net Investment in Capital Assets	47,659	—	—	1	—	47,660
Restricted for:						
Other Purposes	7,064	8,715	82,742	—	996	99,517
Unrestricted	56,413	2,563	32,323	(571)	1,089	91,817
Total Net Position	\$ 111,136	\$ 11,278	\$ 115,065	\$ (570)	\$ 2,085	\$ 238,994

STATE OF MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NON-MAJOR COMPONENT UNITS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Missouri Development Finance Board	Missouri Agricultural and Small Business Development Authority	Missouri Transportation Finance Corporation	Missouri Wine and Grape Board	State Environmental Improvement Energy Resources Authority	Totals June 30, 2021
Operating Revenues:						
Licenses, Fees, and Permits	\$ 1,189	\$ 351	\$ 5	\$ 5	\$ 439	\$ 1,989
Interest on Receivables	1,026	—	511	—	—	1,537
Leases and Rentals	4,764	—	—	—	—	4,764
Cost Reimbursement/Miscellaneous	11	151	—	—	5	167
Total Operating Revenues	6,990	502	516	5	444	8,457
Operating Expenses:						
Personal Service	1,051	381	32	560	396	2,420
Operations	1,912	34	12	1,206	269	3,433
Specific Programs	—	1,849	—	—	906	2,755
Depreciation/Amortization	2,295	9	—	3	1	2,308
Other Charges	44	—	—	25	—	69
Total Operating Expenses	5,302	2,273	44	1,794	1,572	10,985
Operating Income (Loss)	1,688	(1,771)	472	(1,789)	(1,128)	(2,528)
Non-Operating Revenues (Expenses):						
Contributions and Intergovernmental	—	—	—	1,900	999	2,899
Investment Earnings:						
Increase (Decrease) in Fair Value of Investments	—	21	(630)	—	21	(588)
Interest	45	10	783	2	—	840
Interest Expense	(257)	(2)	—	—	—	(259)
Contributions to Others	(14)	—	—	—	—	(14)
Miscellaneous Revenues (Expenses)	79	—	(67)	—	—	12
Total Non-Operating Revenues (Expenses)	(147)	29	86	1,902	1,020	2,890
Change in Net Position	1,541	(1,742)	558	113	(108)	362
Total Net Position - Beginning	109,595	13,020	114,507	(683)	2,193	238,632
Total Net Position - Ending	\$ 111,136	\$ 11,278	\$ 115,065	\$ (570)	\$ 2,085	\$ 238,994

STATE OF MISSOURI
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR COMPONENT UNITS
For the Fiscal Year Ended June 30, 2021
(In Thousands of Dollars)

	Missouri Development Finance Board	Missouri Agricultural and Small Business Development Authority	Missouri Transportation Finance Corporation	Missouri Wine and Grape Board	State Environmental Improvement Energy Resources Authority	Totals June 30, 2021
Cash Flows from Operating Activities:						
Receipts from Customers and Users	\$ 6,488	\$ 340	\$ 706	\$ 5	\$ 446	\$ 7,985
Loans to Outside Entities	—	(268)	5,757	—	40	5,529
Payments to Vendors and Suppliers	(2,159)	(31)	(10)	(1,204)	(242)	(3,646)
Payments for Employees	(895)	(333)	(32)	(481)	(425)	(2,166)
Payments Made for Program Expense	—	(1,849)	—	—	(906)	(2,755)
Net Payments/Receipts for Tax Credit Projects	516	—	—	—	—	516
Other Receipts	—	151	—	—	5	156
Other Payments	—	—	—	(25)	—	(25)
Net Cash Provided (Used) by Operating Activities	3,950	(1,990)	6,421	(1,705)	(1,082)	5,594
Cash Flows from Non-Capital Financing Activities:						
Advance to/from Primary Government	—	(10)	—	—	—	(10)
Contributions and Intergovernmental	(14)	—	—	1,900	999	2,885
Net Cash Provided (Used) by Non-Capital Financing Activities	(14)	(10)	—	1,900	999	2,875
Cash Flows from Capital and Related Financing Activities:						
Interest Expense	(259)	(2)	—	—	—	(261)
Purchases and Construction of Capital Assets	(317)	—	—	—	—	(317)
Principal Payments on Capital Debt	(552)	—	—	—	—	(552)
Insurance Proceeds	79	—	—	—	—	79
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,049)	(2)	—	—	—	(1,051)
Cash Flows from Investing Activities:						
Proceeds from Investment Maturities	13,960	91	110,279	(197)	132	124,265
Purchase of Investments	(29,221)	—	(111,117)	—	—	(140,338)
Interest	(674)	8	783	2	—	119
Investment Fees	—	—	(67)	—	—	(67)
Net Cash Provided (Used) by Investing Activities	(15,935)	99	(122)	(195)	132	(16,021)
Net Increase (Decrease) in Cash	(13,048)	(1,903)	6,299	—	49	(8,603)
Cash and Cash Equivalents, Beginning of Year	39,221	4,353	19,160	199	723	63,656
Cash and Cash Equivalents, End of Year	\$ 26,173	\$ 2,450	\$ 25,459	\$ 199	\$ 772	\$ 55,053
Reconciliation of Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	\$ 1,688	\$ (1,771)	\$ 472	\$ (1,789)	\$ (1,128)	\$ (2,528)
Depreciation/Amortization Expense	2,295	9	—	3	1	2,308
Changes in Assets and Liabilities:						
Accounts Receivable	(79)	(11)	—	—	5	(85)
Interest Receivable	1	—	190	—	2	193
Inventories	—	—	—	1	—	1
Deferred Outflows of Resources	42	4	—	12	(153)	(95)
Prepaid Items	127	—	—	—	—	127
Loans Receivable	—	(268)	5,757	—	40	5,529
Accounts Payable	(189)	3	2	1	27	(156)
Accrued Payroll	—	—	—	(3)	—	(3)
Deposit and Reserve	(7)	—	—	—	—	(7)
Compensated Absences	(39)	4	—	(5)	4	(36)
Unearned Revenue	(4)	—	—	—	—	(4)
Net Pension Liability	116	47	—	39	270	472
Net OPEB Liability	—	10	—	36	(8)	38
Deferred Inflows of Resources	(1)	(17)	—	—	(142)	(160)
Net Cash Provided (Used) by Operating Activities	\$ 3,950	\$ (1,990)	\$ 6,421	\$ (1,705)	\$ (1,082)	\$ 5,594
Non-Cash Investing Activities:						
Increase (Decrease) in Fair Value of Investments	\$ —	\$ 21	\$ (630)	\$ —	\$ 21	\$ (588)
Net Non-Cash Investing Activities	\$ —	\$ 21	\$ (630)	\$ —	\$ 21	\$ (588)



*The **Statistical Section** presentations include Financial Trends, Revenue Capacity, Debt Capacity, Demographic and Economic Information, and Operating Information trends. The statistical data presented is intended to provide report users with a broader understanding of the environment in which the State operates.*

**STATE OF MISSOURI
STATISTICAL SECTION
June 30, 2021**

Index and Overview

This part of the State's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the State's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the State's financial performance and fiscal health have changed over time.

Net Position by Component	224
Changes in Net Position	225
Fund Balances - Governmental Funds	227
Changes in Fund Balances - Governmental Funds	228

Revenue Capacity

These schedules contain information to help the reader understand the State's capacity to raise revenues and the sources of those revenues.

Revenue Base - Taxable Sales by Industry	230
Revenue Base - Personal Income by Industry	231
Personal Income Tax Revenue	232
Personal Income Tax Rates	233
Revenue Payers by Industry	234
Personal Income Tax Filers/Liability	235

Debt Capacity

These schedules present information to help the reader understand and assess the State's levels of outstanding debt and the State's ability to issue additional debt in the future.

Ratios of Outstanding Debt	236
Pledged Revenue Coverage	238

Demographic and Economic Information

These schedules contain demographic and economic indicators to help the reader understand the environment within which the State's financial activities take place.

Demographic Indicators	239
Economic Indicators	240
Principal Employers	241

Operating Information

These schedules contain operating data to help the reader understand how the information in the State's financial report relates to the services it provides and the activities it performs.

State Employees by Function	242
Operating Indicators by Function	243
Capital Asset Statistics by Function	245

Sources: *Unless otherwise noted, the information in these schedules is derived from the State of Missouri Annual Comprehensive Financial Report for the years shown.*

**STATE OF MISSOURI
NET POSITION BY COMPONENT
FISCAL YEARS 2012-2021
(In Thousands of Dollars)**

	2021	2020*	2019	2018	2017
Governmental Activities					
Net Investment in Capital Assets	\$ 31,934,670	\$ 31,404,122	\$ 30,848,265	\$ 30,364,850	\$ 29,793,477
Restricted	6,377,346	4,838,035	4,390,964	4,239,726	4,103,890
Unrestricted	(6,549,953)	(7,996,677)	(8,259,974)	(7,976,452)	(7,606,967)
Total Governmental Activities Net Position	\$ 31,762,063	\$ 28,245,480	\$ 26,979,255	\$ 26,628,124	\$ 26,290,400
Business-Type Activities					
Net Investment in Capital Assets	\$ 115,518	\$ 114,334	\$ 124,985	\$ 126,899	\$ 115,327
Restricted	24,078	25,223	6,798	5,616	7,239
Unrestricted	454,015	556,537	956,556	858,356	762,633
Total Business-Type Activities Net Position	\$ 593,611	\$ 696,094	\$ 1,088,339	\$ 990,871	\$ 885,199
Primary Government					
Net Investment in Capital Assets	\$ 32,050,188	\$ 31,518,456	\$ 30,973,250	\$ 30,491,749	\$ 29,908,804
Restricted	6,401,424	4,863,258	4,397,762	4,245,342	4,111,129
Unrestricted	(6,095,938)	(7,440,140)	(7,303,418)	(7,118,096)	(6,844,334)
Total Primary Government Net Position	\$ 32,355,674	\$ 28,941,574	\$ 28,067,594	\$ 27,618,995	\$ 27,175,599

Continues Below

	2016	2015	2014	2013	2012
Governmental Activities					
Net Investment in Capital Assets	\$ 29,255,865	\$ 28,791,258	\$ 28,485,327	\$ 28,166,290	\$ 27,873,493
Restricted	4,348,001	3,269,480	3,790,165	3,788,299	3,898,340
Unrestricted	(5,465,559)	(4,292,710)	(5,501,188)	(1,216,048)	(1,865,908)
Total Governmental Activities Net Position	\$ 28,138,307	\$ 27,768,028	\$ 26,774,304	\$ 30,738,541	\$ 29,905,925
Business-Type Activities					
Net Investment in Capital Assets	\$ 98,320	\$ 55,669	\$ 52,901	\$ 52,217	\$ 50,081
Restricted	6,104	4,588	4,889	5,630	9,675
Unrestricted	677,470	420,995	183,705	(117,891)	(344,734)
Total Business-Type Activities Net Position	\$ 781,894	\$ 481,252	\$ 241,495	\$ (60,044)	\$ (284,978)
Primary Government					
Net Investment in Capital Assets	\$ 29,354,185	\$ 28,846,927	\$ 28,538,228	\$ 28,218,507	\$ 27,923,574
Restricted	4,354,105	3,274,068	3,795,054	3,793,929	3,908,015
Unrestricted	(4,788,089)	(3,871,715)	(5,317,483)	(1,333,939)	(2,210,642)
Total Primary Government Net Position	\$ 28,920,201	\$ 28,249,280	\$ 27,015,799	\$ 30,678,497	\$ 29,620,947

*Fiscal year 2020 amounts have been restated.

**STATE OF MISSOURI
CHANGES IN NET POSITION
FISCAL YEARS 2012-2021
(In Thousands of Dollars)**

	2021	2020*	2019	2018
Governmental Activities:				
Expenses				
General Government	\$ 1,643,014	\$ 1,297,641	\$ 1,276,223	\$ 1,265,947
Education	7,547,604	7,065,810	7,142,183	7,053,444
Natural and Economic Resources	1,227,866	944,127	1,055,997	1,079,318
Transportation and Law Enforcement	2,926,687	2,127,151	1,984,162	1,974,321
Human Services	16,520,770	15,285,691	14,445,872	14,339,926
Interest on Debt (Excluding Direct Expense)	80,878	98,134	109,740	120,206
Total Expenses	<u>29,946,819</u>	<u>26,818,554</u>	<u>26,014,177</u>	<u>25,833,162</u>
Program Revenues				
Charges for Services:				
General Government	1,000,736	578,389	601,303	588,246
Transportation and Law Enforcement	232,756	242,625	215,095	227,643
Human Services	651,468	666,309	554,370	559,544
Other Activities	353,955	360,419	351,597	325,333
Operating Grants and Contributions	15,734,505	12,303,616	10,757,841	10,811,591
Capital Grants and Contributions	1,568,379	887,716	949,652	1,020,653
Total Program Revenues	<u>19,541,799</u>	<u>15,039,074</u>	<u>13,429,858</u>	<u>13,533,010</u>
Total Governmental Activities Net Program (Expense) Revenue	<u>(10,405,020)</u>	<u>(11,779,480)</u>	<u>(12,584,319)</u>	<u>(12,300,152)</u>
General Revenues and Other Changes in Net Position				
Taxes:				
Sales and Use	3,608,744	3,728,384	3,393,577	3,235,110
Individual Income	7,823,595	6,849,589	6,966,221	6,796,359
Corporate Income	699,213	455,862	477,918	403,771
County Foreign Insurance	266,086	289,015	267,142	272,497
Alcoholic Beverage	38,913	38,640	34,525	32,602
Corporate Franchise	—	—	1,470	1,968
Fuel	621,624	708,407	671,218	640,767
Miscellaneous Taxes	695,345	581,135	686,510	684,578
Grants and Contributions not Restricted to Specific Programs	76,752	51,264	58,534	59,233
Unrestricted Investment Earnings	26,726	90,352	79,604	26,308
Special Items	—	—	—	—
Extraordinary Items	—	—	—	—
Transfers	64,605	313,750	304,529	331,631
Total General Revenues and Other Changes in Net Position	<u>13,921,603</u>	<u>13,106,398</u>	<u>12,941,248</u>	<u>12,484,824</u>
Total Governmental Activities Change in Net Position	<u>\$ 3,516,583</u>	<u>\$ 1,326,918</u>	<u>\$ 356,929</u>	<u>\$ 184,672</u>
Business-Type Activities:				
Expenses				
State Lottery	\$ 1,434,105	\$ 1,207,182	\$ 1,168,012	\$ 1,086,927
Unemployment Compensation	3,680,869	3,155,342	264,370	294,271
Missouri Veterans' Homes	91,958	125,103	125,245	123,095
State Fair Fees	2,255	5,406	4,528	4,880
State Parks and DNR	14,127	15,943	13,257	9,829
Historic Preservation	376	426	531	725
Petroleum Storage Tank Insurance	17,120	20,862	20,345	21,298
Surplus Property	1,719	1,856	2,589	2,416
Revenue Information	7	8	9	12
Inmate Canteen	32,496	30,333	28,498	46,474
Total Expenses	<u>5,275,032</u>	<u>4,562,461</u>	<u>1,627,384</u>	<u>1,589,927</u>
Program Revenues				
Charges for Services:				
State Lottery	1,828,313	1,526,247	1,484,529	1,418,409
Other Activities	80,228	83,928	86,689	104,320
Operating Grants and Contributions	3,318,254	2,851,252	431,609	466,750
Total Program Revenues	<u>5,226,795</u>	<u>4,461,427</u>	<u>2,002,827</u>	<u>1,989,479</u>
Total Business-Type Activities Net Program (Expense) Revenue	<u>(48,237)</u>	<u>(101,034)</u>	<u>375,443</u>	<u>399,552</u>
General Revenues and Other Changes in Net Position				
Unrestricted Investment Earnings	8,637	29,694	26,449	18,338
Adjustments to Claims Reserve	—	—	—	—
Special Items	—	—	—	—
Extraordinary Items	—	—	—	—
Capital Contributions	1,722	—	173	11,463
Transfers	(64,605)	(313,750)	(304,529)	(331,631)
Total General Revenues and Other Changes in Net Position	<u>(54,246)</u>	<u>(284,056)</u>	<u>(277,907)</u>	<u>(301,830)</u>
Total Business-Type Activities Change in Net Position	<u>\$ (102,483)</u>	<u>\$ (385,090)</u>	<u>\$ 97,536</u>	<u>\$ 97,722</u>
Total Primary Government Change in Net Position	<u>\$ 3,414,100</u>	<u>\$ 941,828</u>	<u>\$ 454,465</u>	<u>\$ 282,394</u>

*Fiscal year 2020 amounts have been restated

2017	2016	2015	2014	2013	2012
\$ 1,176,204	\$ 1,081,421	\$ 1,064,771	\$ 1,030,327	\$ 1,063,418	\$ 1,029,012
7,086,927	6,902,930	6,680,646	6,430,861	6,368,472	6,373,757
1,074,411	1,039,408	910,502	874,033	933,019	1,053,949
2,157,349	1,913,379	1,861,116	1,823,578	1,924,306	2,021,423
13,682,277	13,086,606	12,800,735	12,623,617	12,335,625	12,299,493
128,108	138,426	139,112	157,707	161,386	207,906
<u>25,305,276</u>	<u>24,162,170</u>	<u>23,456,882</u>	<u>22,940,123</u>	<u>22,786,226</u>	<u>22,985,540</u>
671,875	579,457	581,008	540,427	698,300	883,228
228,039	230,685	228,093	232,176	250,898	239,684
498,348	475,055	503,290	504,443	554,365	459,517
343,363	327,275	327,169	333,898	351,193	285,725
10,403,733	10,178,230	9,960,965	9,649,655	9,702,624	9,889,453
923,748	917,255	838,354	933,814	1,039,043	1,096,052
<u>13,069,106</u>	<u>12,707,957</u>	<u>12,438,879</u>	<u>12,194,413</u>	<u>12,596,423</u>	<u>12,853,659</u>
<u>(12,236,170)</u>	<u>(11,454,213)</u>	<u>(11,018,003)</u>	<u>(10,745,710)</u>	<u>(10,189,803)</u>	<u>(10,131,881)</u>
3,267,442	3,112,912	3,142,387	2,925,867	2,883,852	2,705,002
6,648,918	6,324,548	6,418,379	5,718,801	5,833,306	5,116,876
392,438	411,139	490,131	427,320	429,797	378,444
254,685	218,083	222,828	180,779	175,212	167,969
32,764	30,913	32,101	30,370	30,294	28,652
2,490	17,197	29,982	54,670	51,444	61,389
667,639	640,934	656,893	629,105	648,989	620,074
680,885	663,797	668,955	605,247	630,228	623,414
62,173	58,971	76,276	73,637	120,380	244,859
12,626	26,468	24,721	35,040	(15,858)	21,525
—	—	—	—	—	(120)
—	—	—	(132)	—	—
289,683	304,320	275,997	291,421	290,900	300,608
<u>12,311,743</u>	<u>11,809,282</u>	<u>12,038,650</u>	<u>10,972,125</u>	<u>11,078,544</u>	<u>10,268,692</u>
<u>\$ 75,573</u>	<u>\$ 355,069</u>	<u>\$ 1,020,647</u>	<u>\$ 226,415</u>	<u>\$ 888,741</u>	<u>\$ 136,811</u>
\$ 1,070,595	\$ 1,025,086	\$ 873,502	\$ 894,137	\$ 876,290	\$ 835,526
318,782	312,295	391,508	568,787	858,697	1,280,157
115,078	100,771	92,501	97,674	97,012	76,598
4,726	4,369	4,390	4,419	3,968	3,963
14,025	8,395	8,264	9,417	9,179	10,659
1,248	577	741	334	388	340
19,392	16,205	14,705	13,244	18,101	22,171
2,523	2,590	3,169	2,528	3,017	3,065
12	14	13	—	32	72
—	—	—	—	—	—
<u>1,546,381</u>	<u>1,470,302</u>	<u>1,388,793</u>	<u>1,590,540</u>	<u>1,866,684</u>	<u>2,232,551</u>
1,361,996	1,327,852	1,144,604	1,171,580	1,156,235	1,109,108
61,228	56,005	59,199	57,836	57,009	56,538
<u>553,591</u>	<u>677,118</u>	<u>693,657</u>	<u>999,516</u>	<u>1,172,524</u>	<u>1,507,428</u>
<u>1,976,815</u>	<u>2,060,975</u>	<u>1,897,460</u>	<u>2,228,932</u>	<u>2,385,768</u>	<u>2,673,074</u>
<u>430,434</u>	<u>590,673</u>	<u>508,667</u>	<u>638,392</u>	<u>519,084</u>	<u>440,523</u>
13,156	11,420	3,591	2,029	(3,138)	4,312
—	2,500	—	17,223	—	—
—	—	—	—	—	(224)
(153)	—	—	—	—	—
920	—	—	—	35	—
<u>(289,683)</u>	<u>(304,320)</u>	<u>(275,997)</u>	<u>(291,421)</u>	<u>(290,900)</u>	<u>(300,608)</u>
<u>(275,760)</u>	<u>(290,400)</u>	<u>(272,406)</u>	<u>(272,169)</u>	<u>(294,003)</u>	<u>(296,520)</u>
<u>\$ 154,674</u>	<u>\$ 300,273</u>	<u>\$ 236,261</u>	<u>\$ 366,223</u>	<u>\$ 225,081</u>	<u>\$ 144,003</u>
<u>\$ 230,247</u>	<u>\$ 655,342</u>	<u>\$ 1,256,908</u>	<u>\$ 592,638</u>	<u>\$ 1,113,822</u>	<u>\$ 280,814</u>

**STATE OF MISSOURI
FUND BALANCES - GOVERNMENTAL FUNDS
FISCAL YEARS 2012-2021
(In Thousands of Dollars)**

	2021	2020*	2019	2018	2017
General Fund					
Nonspendable	\$ 173,918	\$ 48,942	\$ 47,542	\$ 48,944	\$ 52,969
Restricted	1,371,960	598,678	556,252	485,578	341,052
Committed	611,350	662,067	655,263	617,661	590,697
Assigned	144,642	105,074	98,634	86,662	154,634
Unassigned	2,396,068	1,107,073	770,145	457,634	294,901
Total General Fund	4,697,938	2,521,834	2,127,836	1,696,479	1,434,253
All Other Governmental Funds					
Nonspendable	114,076	104,480	98,229	95,438	97,723
Restricted	2,204,080	1,681,227	1,390,740	1,489,673	1,517,114
Committed	2,594,387	1,964,707	1,799,430	1,787,795	1,614,390
Assigned	409,116	377,999	377,227	410,182	422,122
Unassigned	—	—	—	—	(17,628)
Total All Other Governmental Funds	5,321,659	4,128,413	3,665,626	3,783,088	3,633,721
Total Fund Balances, Governmental Funds	\$ 10,019,597	\$ 6,650,247	\$ 5,793,462	\$ 5,479,567	\$ 5,067,974
Continues Below					
	2016	2015	2014	2013	2012
General Fund					
Nonspendable	\$ 58,712	\$ 53,809	\$ 50,504	\$ 56,048	\$ 61,207
Restricted	488,180	292,758	289,266	285,878	340,205
Committed	589,956	545,765	560,141	506,778	504,569
Assigned	78,096	158,390	73,625	67,277	63,484
Unassigned	238,735	349,901	244,821	530,431	195,193
Total General Fund	1,453,679	1,400,623	1,218,357	1,446,412	1,164,658
All Other Governmental Funds					
Nonspendable	97,027	1,243,039	1,170,054	1,126,253	1,077,138
Restricted	1,699,763	1,512,228	1,544,139	1,636,550	1,745,287
Committed	1,543,913	377,527	345,465	337,874	291,723
Assigned	430,901	425,256	400,668	370,090	367,261
Total All Other Governmental Funds	3,771,604	3,558,050	3,460,326	3,470,767	3,481,409
Total Fund Balances, Governmental Funds	\$ 5,225,283	\$ 4,958,673	\$ 4,678,683	\$ 4,917,179	\$ 4,646,067

*Fiscal year 2020 amounts have been restated.

**STATE OF MISSOURI
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FISCAL YEARS 2012-2021
(In Thousands of Dollars)**

	2021	2020*	2019	2018
Revenues:				
Taxes	\$ 13,887,139	\$ 12,075,141	\$ 12,465,629	\$ 12,151,078
Licenses, Fees, and Permits	736,601	717,899	710,814	675,447
Sales	11,998	12,429	8,587	9,527
Leases and Rentals	498	376	138	157
Services	130,243	122,012	121,249	148,653
Contributions and Intergovernmental	17,377,196	13,242,981	11,765,170	11,890,439
Investment Earnings:				
Net Increase (Decrease) in the Fair Value of Investments	(17,631)	13,817	9,766	(15,384)
Interest	53,610	105,830	93,129	60,189
Penalties and Unclaimed Properties	566,781	85,289	85,784	69,907
Cost Reimbursement/Miscellaneous	519,862	614,641	488,501	513,741
Total Revenues	33,266,297	26,990,415	25,748,767	25,503,754
Expenditures:				
Current:				
General Government	1,408,413	1,010,225	964,166	909,941
Education	7,519,701	7,039,061	7,117,049	7,031,232
Natural and Economic Resources	1,074,358	714,899	822,854	869,568
Transportation and Law Enforcement	2,431,936	1,605,982	1,454,177	1,483,225
Human Services	16,208,356	14,849,266	14,066,072	14,012,219
Capital Outlay:				
General Government	7,270	13,836	1,242	1,320
Education	—	—	12	106
Natural and Economic Resources	23	2,638	629	3,549
Transportation and Law Enforcement	1,019,614	1,003,310	834,991	854,707
Human Services	434	1,955	32,605	64,467
Debt Service:				
Principal	286,630	266,278	334,138	333,480
Interest	114,360	117,855	134,110	144,976
Bond Issuance Costs	339	668	370	356
Underwriter's Discount	47	12	—	985
Total Expenditures	30,071,481	26,625,985	25,762,415	25,710,131
Excess Revenues (Expenditures)	3,194,816	364,430	(13,648)	(206,377)
Other Financing Sources (Uses):				
Proceeds from Notes/Capital Leases/Financed Purchases	9,273	2,161	1,612	6,934
Proceeds from General Obligation/Other Bonds	—	178,370	102,705	124,905
Issuance of Refunding Bonds	172,850	38,920	—	—
Payments to Escrow Agent	(208,893)	(41,069)	(111,483)	—
Bond Premium	36,429	25,458	9,148	9,751
Proceeds from Capital Asset Sale	13,202	27,791	15,300	18,034
Transfers In	403,430	332,220	323,846	342,979
Transfers Out	(339,368)	(17,300)	(16,541)	(9,177)
Total Other Financing Sources (Uses)	86,923	546,551	324,587	493,426
Net Change in Fund Balances	3,281,739	910,981	310,939	287,049
Increase (Decrease) in Reserve for Inventory	87,611	2,575	425	(154)
Net Change in Fund Balances	\$ 3,369,350	\$ 913,556	\$ 311,364	\$ 286,895
Debt Service as a Percentage of Non-Capital Expenditures	1.38 %	1.50 %	1.88 %	1.94 %

*Fiscal year 2020 amounts have been restated.

2017	2016	2015	2014	2013	2012
\$ 11,877,303	\$ 11,550,222	\$ 11,302,267	\$ 10,549,046	\$ 10,557,831	\$ 9,956,574
678,037	685,115	653,218	654,416	647,233	647,130
9,035	9,002	11,905	12,308	10,261	8,827
158	71	497	480	1,212	313
122,531	116,133	105,066	111,280	115,219	119,076
11,395,032	11,157,654	10,871,669	10,652,830	10,860,366	11,230,111
(10,530)	5,975	2,006	6,737	(25,606)	6,392
34,080	25,534	29,911	50,251	27,839	33,068
96,568	72,435	131,384	74,642	112,951	51,591
564,390	492,593	525,729	507,763	687,609	745,602
24,766,604	24,114,734	23,633,652	22,619,753	22,994,915	22,798,684
884,641	886,172	869,266	844,854	884,342	886,309
7,071,710	6,893,120	6,673,331	6,419,231	6,351,934	6,363,447
896,485	913,667	833,441	831,495	856,133	934,767
1,473,797	1,475,500	1,558,694	1,350,588	1,406,509	1,627,620
13,629,856	13,037,667	12,761,134	12,447,706	12,162,029	12,320,259
14,057	2,474	—	34	8	—
348	29	—	—	—	—
2,027	246	—	—	—	—
712,716	690,269	714,550	852,832	963,001	1,115,457
54,915	37,384	1,354	—	—	—
436,938	292,521	285,627	256,221	216,017	212,483
159,977	166,000	166,672	187,123	189,920	208,518
336	755	831	1,545	920	606
972	1,231	2,260	4,075	2,423	2,074
25,338,775	24,397,035	23,867,160	23,195,704	23,033,236	23,671,540
(572,171)	(282,301)	(233,508)	(575,951)	(38,321)	(872,856)
1,542	14,782	1,819	1,400	712	1,776
97,225	193,800	129,465	—	—	—
—	—	108,930	995,555	441,690	163,145
—	—	(121,020)	(1,177,908)	(486,904)	(168,589)
5,877	17,810	18,622	195,638	48,276	7,944
20,305	18,394	11,137	13,867	19,310	16,864
297,229	310,842	285,468	304,688	312,595	300,699
(5,598)	(6,010)	(9,547)	(12,763)	(21,846)	(144)
416,580	549,618	424,874	320,477	313,833	321,695
(155,591)	267,317	191,366	(255,474)	275,512	(551,161)
(1,716)	(707)	4,928	153	(4,402)	4,135
\$ (157,307)	\$ 266,610	\$ 196,294	\$ (255,321)	\$ 271,110	\$ (547,026)
2.45 %	1.96 %	1.99 %	2.02 %	1.85 %	1.89 %

**STATE OF MISSOURI
REVENUE BASE - TAXABLE SALES BY INDUSTRY
FISCAL YEARS 2012-2021**

Taxable Sales by Industry

	2021	2020	2019	2018	2017
Agricultural/Forestry, Fishing, and Other	\$ 246,034,302	\$ 255,902,100	\$ 160,462,181	\$ 243,431,996	\$ 259,105,220
Mining	285,978,926	303,401,444	353,489,366	453,466,663	110,484,032
Construction	695,869,598	712,675,722	998,174,516	801,058,193	1,788,629,305
Manufacturing	2,530,789,425	2,541,840,495	3,395,360,423	4,543,245,262	4,758,144,850
Transportation and Public Utilities	4,479,764,637	4,965,281,719	6,704,044,793	7,431,439,993	7,991,327,737
Wholesale Trade	5,423,631,630	5,417,878,906	8,580,382,365	37,375,445,863	9,478,033,276
Retail Trade	45,191,494,301	43,584,455,906	44,832,734,671	26,306,855,209	52,013,596,266
Finance, Insurance, and Real Estate	1,300,018,426	1,350,810,033	1,700,974,266	2,244,925,706	675,498,078
Services	21,114,833,756	19,466,475,589	14,558,550,695	8,557,460,947	10,958,489,216
State and Local Government	214,953,266	215,399,261	229,536,272	248,500,694	137,361,580
Non-Classifiable	—	—	—	—	13,251,530
Total Taxable Sales	\$81,483,368,267	\$78,814,121,175	\$81,513,709,548	\$88,205,830,526	\$88,183,921,090
Direct Sales Tax Rate	4.225 %	4.225 %	4.225 %	4.225 %	4.225 %

Continues Below

Taxable Sales by Industry

	2016	2015	2014	2013	2012
Agricultural/Forestry, Fishing, and Other	\$ 245,772,867	\$ 240,000,494	\$ 236,474,690	\$ 215,327,746	\$ 221,013,601
Mining	106,659,795	87,523,595	76,102,321	72,364,854	74,803,209
Construction	1,677,123,560	950,357,972	903,053,231	837,805,800	861,403,612
Manufacturing	4,686,174,181	4,512,551,497	4,452,723,181	4,122,180,876	3,761,027,682
Transportation and Public Utilities	7,941,221,199	8,150,393,880	8,296,512,631	7,865,266,716	7,836,415,362
Wholesale Trade	9,258,220,896	8,772,153,165	8,355,874,187	8,201,088,643	8,205,030,046
Retail Trade	50,710,170,965	48,945,156,057	46,883,720,342	45,955,834,897	45,578,697,317
Finance, Insurance, and Real Estate	639,535,606	459,394,721	428,174,408	555,096,635	577,095,000
Services	10,508,298,419	10,167,703,650	9,615,517,898	9,242,131,446	9,239,885,195
State and Local Government	130,923,934	149,553,253	196,281,904	164,729,390	167,737,492
Non-Classifiable	12,784,255	12,193,479	13,389,207	19,041,853	15,869,773
Total Taxable Sales	\$85,916,885,677	\$82,446,981,763	\$79,457,824,000	\$77,250,868,856	\$76,538,978,289
Direct Sales Tax Rate	4.225 %	4.225 %	4.225 %	4.225 %	4.225 %

Source: Missouri Department of Revenue

* During fiscal year 2018 the State replaced the Standard Industrial Classification System with the more consistent North American Industry Classification System to classify revenues.

**STATE OF MISSOURI
REVENUE BASE - PERSONAL INCOME BY INDUSTRY
CALENDAR YEARS 2011-2020**

**Personal Income by Industry
(In Thousands of Dollars)**

	2020	2019	2018	2017	2016
Farm Earnings	\$ 2,592,086	\$ 1,291,799	\$ 266,645	\$ 1,062,184	\$ 829,415
Agricultural/Forestry, Fishing, and Other	465,164	490,883	482,308	424,552	457,108
Mining	477,408	393,973	336,767	241,988	320,915
Construction/Utilities	15,753,973	15,021,227	14,235,375	13,819,650	12,748,129
Manufacturing	22,690,355	23,566,152	22,730,105	21,229,515	20,542,795
Transportation and Public Utilities	7,993,389	8,098,772	7,511,308	7,189,504	6,957,284
Wholesale Trade	11,662,396	11,548,530	11,056,910	10,826,692	10,831,422
Retail Trade	12,918,851	12,396,283	11,993,104	11,749,093	11,785,062
Finance, Insurance, and Real Estate	19,859,350	18,236,762	19,493,630	17,761,199	15,456,673
Services	89,808,713	90,210,784	86,806,984	82,115,017	78,239,644
Federal, Civilian	6,522,907	6,180,879	6,078,280	5,843,242	5,677,270
Military	2,198,275	2,120,915	2,000,240	1,912,463	1,879,387
State and Local Government	23,261,811	23,209,704	22,440,186	22,264,323	22,256,414
Total Personal Income	\$216,204,678	\$212,766,663	\$205,431,842	\$196,439,422	\$187,981,518
Total Direct Personal Income Tax Rate	5.4 %	6.0 %	6.0 %	6.0 %	6.0 %

Continues Below

**Personal Income by Industry
(In Thousands of Dollars)**

	2015	2014	2013	2012	2011
Farm Earnings	\$ 722,021	\$ 3,786,857	\$ 1,626,591	\$ 1,257,121	\$ 2,321,629
Agricultural/Forestry, Fishing, and Other	451,862	394,686	397,546	319,736	297,657
Mining	345,512	450,247	531,506	533,997	504,777
Construction/Utilities	11,973,872	12,039,804	11,722,352	11,021,154	10,551,329
Manufacturing	20,483,723	19,405,898	18,638,481	18,223,989	17,303,819
Transportation and Public Utilities	6,937,566	6,632,242	6,641,733	6,329,830	5,957,783
Wholesale Trade	11,063,357	10,168,424	9,614,681	9,401,253	8,969,791
Retail Trade	11,618,585	11,353,713	11,045,743	10,981,844	10,654,925
Finance, Insurance, and Real Estate	15,873,119	14,637,085	13,981,286	13,577,510	12,587,314
Services	77,566,750	75,021,866	73,357,863	70,695,009	67,723,434
Federal, Civilian	5,566,826	5,370,947	5,170,204	5,326,901	5,399,812
Military	1,889,251	1,906,989	2,165,907	2,087,494	2,151,087
State and Local Government	21,860,748	21,611,208	21,013,029	20,951,836	20,783,859
Total Personal Income	\$186,353,192	\$182,779,966	\$175,906,922	\$170,707,674	\$165,207,216
Total Direct Personal Income Tax Rate	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %

Source: Bureau of Economic Analysis

**STATE OF MISSOURI
PERSONAL INCOME TAX REVENUE
FISCAL YEARS 2012-2021**

Personal Income Tax Revenue	2021	2020	2019	2018	2017
Personal Income Tax Revenue	\$ 8,821,631,860	\$ 6,948,385,189	\$ 7,654,451,494	\$ 7,737,588,498	\$ 7,331,004,490
Personal Income (Federal AGI)	\$374,015,644,578	\$294,938,339,311	\$314,827,907,242	\$304,938,141,965	\$308,516,717,209
Taxable Income	\$296,040,234,782	\$228,600,967,718	\$235,907,363,855	\$228,943,859,159	\$233,037,149,447
Average Effective Rate:					
Federal Adjusted Gross Taxable Income	2.36%	2.36%	2.43%	2.54%	2.38%
	2.98%	3.04%	3.24%	3.38%	3.15%

Continues Below

Personal Income Tax Revenue	2016	2015	2014	2013	2012
Personal Income Tax Revenue	\$ 7,182,257,124	\$ 6,904,280,506	\$ 6,421,723,597	\$ 6,374,093,816	\$ 5,851,270,707
Personal Income (Federal AGI)	\$295,120,344,327	\$272,999,790,569	\$286,579,465,435	\$238,522,413,855	\$232,336,289,876
Taxable Income	\$223,319,685,253	\$204,984,460,785	\$215,915,208,076	\$176,397,991,056	\$170,827,410,945
Average Effective Rate:					
Federal Adjusted Gross Taxable Income	2.43%	2.53%	2.24%	2.67%	2.52%
	3.22%	3.37%	2.97%	3.61%	3.43%

Note: Article X, Sections 16 through 24 of the Missouri Constitution establishes a revenue limit for Missouri State Government. When total revenues exceed the limit, tax refunds are generated.

Source: Missouri Department of Revenue

**STATE OF MISSOURI
PERSONAL INCOME TAX RATES
FISCAL YEARS 2012-2022**

**Ranges of Tax Rates
on the Portion of
Taxable Income
(In Thousands)**

***In dollar amounts**

	2021			2020			2019			2018		
Tax Rate	\$ —	plus	1.5%	\$ —	plus	1.5%	\$ —	plus	1.5%	\$ —	plus	1.5%
Income Levels			109-1,088			107-1,073			105-1,053			103-1,028
Tax Rate	16	plus	2.0%	16	plus	2.0%	16	plus	2.0%	16	plus	2.0%
Income Levels			1,089-2,176			1,074-2,146			1,054-2,106			1,029-2,056
Tax Rate	38	plus	2.5%	37	plus	2.5%	37	plus	2.5%	36	plus	2.5%
Income Levels			2,177-3,264			2,147-3,219			2,107-3,159			2,057-3,084
Tax Rate	65	plus	3.0%	64	plus	3.0%	64	plus	3.0%	62	plus	3.0%
Income Levels			3,265-4,352			3,220-4,292			3,160-4,212			3,085-4,113
Tax Rate	98	plus	3.5%	96	plus	3.5%	96	plus	3.5%	93	plus	3.5%
Income Levels			4,353-5,440			4,293-5,365			4,213-5,265			4,114-5,141
Tax Rate	136	plus	4.0%	134	plus	4.0%	134	plus	4.0%	129	plus	4.0%
Income Levels			5,441-6,528			5,366-6,438			5,266-6,318			5,142-6,169
Tax Rate	180	plus	4.5%	177	plus	4.5%	177	plus	4.5%	170	plus	4.5%
Income Levels			6,529-7,616			6,439-7,511			6,319-7,371			6,170-7,197
Tax Rate	229	plus	5.0%	225	plus	5.0%	225	plus	5.0%	216	plus	5.0%
Income Levels			7,617-8,704			7,512-8,584			7,372-8,424			7,198-8,225
Tax Rate	283	plus	5.4%	279	plus	5.4%	279	plus	5.4%	267	plus	5.5%
Income Levels			8,704+			8,584+			8,424+			8,226-9,253
Tax Rate	—	plus	—%	—	plus	—%	—	plus	—%	324	plus	5.9%
Income Levels			—			—			—			9,253+

Continues Below

**Ranges of Tax Rates
on the Portion of
Taxable Income
(In Thousands of Dollars)**

	2017			2016	2015	2014	2013	2012
Tax Rate	\$ —	plus	1.5%	1.5 %	1.5 %	1.5 %	1.5 %	1.5 %
Income Levels			101-1,008	1.1-2	1.1-2	1.1-2	1.1-2	1.1-2
Tax Rate	15	plus	2.0%	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
Income Levels			1,009-2,016	2.1-3	2.1-3	2.1-3	2.1-3	2.1-3
Tax Rate	35	plus	2.5%	2.5 %	2.5 %	2.5 %	2.5 %	2.5 %
Income Levels			2,017-3,024	3.1-4	3.1-4	3.1-4	3.1-4	3.1-4
Tax Rate	60	plus	3.0%	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %
Income Levels			3,025-4,032	4.1-5	4.1-5	4.1-5	4.1-5	4.1-5
Tax Rate	90	plus	3.5%	3.5 %	3.5 %	3.5 %	3.5 %	3.5 %
Income Levels			4,033-5,040	5.1-6	5.1-6	5.1-6	5.1-6	5.1-6
Tax Rate	125	plus	4.0%	4.0 %	4.0 %	4.0 %	4.0 %	4.0 %
Income Levels			5,041-6,048	6.1-7	6.1-7	6.1-7	6.1-7	6.1-7
Tax Rate	165	plus	4.5%	4.5 %	4.5 %	4.5 %	4.5 %	4.5 %
Income Levels			6,049-7,056	7.1-8	7.1-8	7.1-8	7.1-8	7.1-8
Tax Rate	210	plus	5.0%	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %
Income Levels			7,057-8,064	8.1-9	8.1-9	8.1-9	8.1-9	8.1-9
Tax Rate	260	plus	5.5%	6.0 %	6.0 %	6.0 %	6.0 %	6.0 %
Income Levels			8,065-9,072	9.1+	9.1+	9.1+	9.1+	9.1+
Tax Rate	315	plus	6.0%					
Income Levels			9,072+					

Note: Article X, Sections 16 through 24 of the Missouri Constitution establishes a revenue limit for Missouri State Government. When total revenues exceed the limit, tax refunds are generated

Source: Missouri Department of Revenue

*The tax rate table changed in 2017 due to new legislation on how the rates were to be calculated.

**STATE OF MISSOURI
REVENUE PAYERS BY INDUSTRY
FISCAL YEARS 2012-2021**

Sales Tax	2021	%	2020	%	2019	%
Agricultural	\$ 10,394,949	0.30 %	\$ 10,811,864	0.33 %	\$ 6,779,527	0.20 %
Mining	12,082,610	0.35 %	12,818,711	0.39 %	14,934,926	0.43 %
Construction	29,400,491	0.85 %	30,110,549	0.90 %	42,172,873	1.23 %
Manufacturing	106,925,853	3.11 %	107,392,761	3.23 %	143,453,978	4.16 %
Transportation & Utilities	189,270,056	5.50 %	209,783,153	6.30 %	283,245,892	8.22 %
Wholesale Trade	229,148,436	6.66 %	228,905,384	6.87 %	362,521,155	10.53 %
Retail Trade	1,909,340,634	55.46 %	1,841,443,262	55.30 %	1,894,183,040	55.00 %
Finance, Insurance, & Real Estate	54,925,778	1.60 %	57,071,724	1.71 %	71,866,163	2.09 %
Services	892,101,726	25.91 %	822,458,597	24.70 %	615,098,767	17.86 %
Government	9,081,775	0.26 %	9,100,619	0.27 %	9,697,907	0.28 %
Non-Classifiable	—	— %	—	— %	—	— %
Total	\$ 3,442,672,308	100.00 %	\$ 3,329,896,624	100.00 %	\$ 3,443,954,228	100.00 %

	2018	%	2017	%	2016	%
Agricultural	\$ 10,285,002	0.28 %	\$ 10,947,196	0.29 %	\$ 10,383,904	0.36 %
Mining	19,158,966	0.51 %	4,667,950	0.12 %	4,506,376	0.16 %
Construction	33,955,810	0.91 %	75,569,588	2.03 %	37,780,540	1.31 %
Manufacturing	191,952,112	5.15 %	201,031,620	5.40 %	192,230,237	6.67 %
Transportation & Utilities	313,978,340	8.43 %	337,633,597	9.06 %	330,960,635	11.49 %
Wholesale Trade	1,579,112,588	42.37 %	400,446,906	10.75 %	261,477,270	9.07 %
Retail Trade	1,111,464,633	29.82 %	2,197,574,442	58.98 %	1,568,702,724	54.44 %
Finance, Insurance, & Real Estate	94,848,111	2.55 %	28,539,794	0.77 %	25,446,129	0.88 %
Services	361,552,725	9.70 %	462,996,169	12.43 %	443,975,608	15.41 %
Government	10,499,154	0.28 %	5,803,527	0.16 %	5,531,536	0.19 %
Non-Classifiable	—	— %	559,877	0.01 %	540,135	0.02 %
Total	\$ 3,726,807,441	100.00 %	\$ 3,725,770,666	100.00 %	\$ 2,881,535,094	100.00 %

	2015	%	2014	%	2013	%
Agricultural	\$ 10,140,021	0.29 %	\$ 9,991,056	0.30 %	\$ 9,097,597	0.28 %
Mining	3,697,872	0.11 %	3,215,323	0.09 %	3,057,415	0.09 %
Construction	40,152,624	1.15 %	38,153,999	1.14 %	35,397,295	1.08 %
Manufacturing	190,655,301	5.47 %	188,127,554	5.60 %	174,162,142	5.34 %
Transportation & Utilities	344,354,141	9.89 %	350,527,659	10.44 %	332,307,519	10.18 %
Wholesale Trade	370,623,471	10.64 %	353,035,684	10.52 %	346,495,995	10.62 %
Retail Trade	2,067,932,843	59.37 %	1,980,837,184	59.00 %	1,941,634,024	59.49 %
Finance, Insurance, & Real Estate	19,409,427	0.56 %	18,090,369	0.54 %	23,452,833	0.72 %
Services	429,585,479	12.33 %	406,255,631	12.10 %	390,480,054	11.96 %
Government	6,318,625	0.18 %	8,292,910	0.25 %	6,959,817	0.21 %
Non-Classifiable	515,174	0.01 %	565,694	0.02 %	804,518	0.03 %
Total	\$ 3,483,384,978	100.00 %	\$ 3,357,093,063	100.00 %	\$ 3,263,849,209	100.00 %

	2012	%
Agricultural	\$ 9,337,825	0.29 %
Mining	3,160,435	0.10 %
Construction	36,394,303	1.13 %
Manufacturing	158,903,420	4.91 %
Transportation & Utilities	331,088,549	10.24 %
Wholesale Trade	346,662,519	10.72 %
Retail Trade	1,925,699,962	59.55 %
Finance, Insurance, & Real Estate	24,382,264	0.75 %
Services	390,385,149	12.07 %
Government	7,086,909	0.22 %
Non-Classifiable	670,498	0.02 %
Total	\$ 3,233,771,833	100.00 %

Source: Missouri Department of Revenue

* During fiscal year 2018 the State replaced the Standard Industrial Classification System with the more consistent North American Industry Classification System to classify revenues.

**STATE OF MISSOURI
PERSONAL INCOME TAX FILERS/LIABILITY
FISCAL YEARS 2012 AND 2021**

Personal Income*

	2021			
	Number of Filers	% of Total	Personal Income Tax Liability	% of Total
\$50,000 and under	3,358,215	66.44 %	\$ 1,216,615,009	14.78 %
\$50,000 - \$100,000	1,141,526	22.58 %	2,285,474,762	27.76 %
\$100,000 - \$250,000	432,337	8.55 %	2,089,115,204	25.38 %
\$250,000 - \$1,000,000	100,444	1.99 %	1,309,032,918	15.90 %
\$1,000,000 and over	22,029	0.44 %	1,332,283,342	16.18 %
Total	5,054,551	100.00 %	\$ 8,232,521,235	100.00 %

	2012			
	Number of Filers	% of Total	Personal Income Tax Liability	% of Total
\$50,000 and under	3,353,191	76.35 %	\$ 1,316,349,980	23.83 %
\$50,000 - \$100,000	758,112	17.25 %	1,512,730,778	27.38 %
\$100,000 - \$250,000	216,848	4.94 %	1,053,432,138	19.07 %
\$250,000 - \$1,000,000	51,764	1.18 %	738,864,647	13.38 %
\$1,000,000 and over	12,172	0.28 %	902,715,721	16.34 %
Total	4,392,087	100.00 %	\$ 5,524,093,264	100.00 %

*Federal Adjusted Gross Income

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available.
The categories presented are intended to provide alternative information regarding the sources of the State's revenue.

Source: Missouri Department of Revenue

STATE OF MISSOURI
RATIOS OF OUTSTANDING DEBT
FISCAL YEARS 2012-2021
(In Thousands of Dollars Except Per Capita)

	2021	2020*	2019	2018
Governmental Activities				
General Obligation Bonds	\$ 28,650	\$ 44,530	\$ 66,120	\$ 104,695
Other Bonds	2,164,800	2,460,650	2,523,955	2,807,240
Leasehold Revenue Bonds	20,770	22,505	24,170	25,775
Certificates of Participation	—	—	—	13,525
Financed Purchases	20,429	22,755	30,748	24,848
Capital Leases	17,721	17,904	21,425	15,812
Total Governmental Activities	\$ 2,252,370	\$ 2,568,344	\$ 2,666,418	\$ 2,991,895
Business-Type Activities				
Financed Purchases	\$ —	\$ —	\$ 2	\$ —
Capital Leases	—	—	—	—
Total Business-Type Activities	\$ —	\$ —	\$ 2	\$ —
Total Primary Government	\$ 2,252,370	\$ 2,568,344	\$ 2,666,420	\$ 2,991,895
Personal Income	\$314,818,000	\$298,620,000	\$285,704,000	\$266,920,797
Debt as a Percentage of Personal Income ¹	0.7 %	0.9 %	0.9 %	1.1 %
Debt Per Capita ¹	\$ 366	\$ 419	\$ 441	\$ 489
Legal Debt Margin Calculation for Fiscal Year 2021:				
General Obligation Bonds Authorized (Legislative Debt Limit)	\$ 1,726,395			
Unforeseen Emergency or Casual Deficiency	1,000			
Less: General Obligation Issued	(1,489,494)			
Legal Debt Margin	<u>\$ 237,901</u>			
Legal Debt Margin Summary by Fiscal Year:				
Legislative Debt Limit	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395
Total Net Debt Applicable to Limit	(1,488,494)	(1,488,494)	(1,488,494)	(1,488,494)
Legal Debt Margin	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>
Legal Debt Margin to Debt Limit Ratio	13.78 %	13.78 %	13.78 %	13.78 %

¹ These ratios are calculated using personal income and population for the calendar year.
See *Demographic Indicators* for personal income and population data.

*Fiscal year 2020 amounts have been restated.

2017	2016	2015	2014	2013	2012
\$ 154,830	\$ 208,880	\$ 266,275	\$ 323,395	\$ 378,150	\$ 432,765
2,943,825	3,207,400	3,226,430	3,303,700	3,562,775	3,735,920
27,310	28,770	30,170	31,515	32,995	32,780
26,770	39,770	52,560	65,160	76,910	76,910
—	—	—	—	—	—
45,736	61,846	51,729	66,270	75,535	78,455
<u>\$ 3,198,471</u>	<u>\$ 3,546,666</u>	<u>\$ 3,627,164</u>	<u>\$ 3,790,040</u>	<u>\$ 4,126,365</u>	<u>\$ 4,356,830</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
128	304	477	215	284	356
<u>\$ 128</u>	<u>\$ 304</u>	<u>\$ 477</u>	<u>\$ 215</u>	<u>\$ 284</u>	<u>\$ 356</u>
<u>\$ 3,198,599</u>	<u>\$ 3,546,970</u>	<u>\$ 3,627,641</u>	<u>\$ 3,790,255</u>	<u>\$ 4,126,649</u>	<u>\$ 4,357,186</u>
\$ 261,547,770	\$ 257,338,334	\$ 252,482,438	\$ 245,771,389	\$ 235,153,679	\$ 228,218,407
1.2 %	1.4 %	1.4 %	1.5 %	1.8 %	1.9 %
\$ 526	\$ 583	\$ 598	\$ 627	\$ 685	\$ 725
\$ 1,726,395	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395	\$ 1,726,395
(1,488,494)	(1,488,494)	(1,488,494)	(1,488,494)	(1,488,494)	(1,488,494)
<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>	<u>\$ 237,901</u>
13.78 %	13.78 %	13.78 %	13.78 %	13.78 %	13.78 %

**STATE OF MISSOURI
PLEDGED REVENUE COVERAGE
FISCAL YEARS 2012-2021
(In Thousands of Dollars)**

Fiscal Year	Gross Revenues ¹	Less: Operating Expenses ²	Net Available Revenues	Debt Service		Coverage ³
				Principal	Interest	
Missouri Road Fund						
2021	\$ 2,463,624	\$ 345,925	\$ 2,117,699	\$ 215,475	\$ 75,967	7.3
2020	2,022,185	395,583	1,626,602	177,764	141,069	5.1
2019	1,955,445	389,546	1,565,899	209,355	80,032	5.4
2018	2,000,651	383,969	1,616,682	200,185	89,422	5.6
2017	1,852,570	388,116	1,464,454	190,770	103,917	5.0
2016	1,831,126	372,800	1,458,326	168,470	111,751	5.2
2015	1,721,615	373,739	1,347,876	169,550	114,878	4.7
2014	1,773,033	348,537	1,424,496	162,050	130,641	4.9
2013	1,822,318	333,327	1,488,991	153,525	135,511	5.2
2012	1,761,382	342,240	1,419,142	133,190	140,202	5.2

N/A = not available

¹ Revenues for Missouri Road Fund consist of a portion of the taxes and fees received by the State from the motor fuel tax, sales tax on motor vehicles, use tax on motor vehicles, revenue derived from motorists for their usage of the highways of the State, federal grants, and bond proceeds.

² Operating Expenses do not include depreciation/amortization.

³ Coverage equals net available revenue divided by debt service.

Source: Missouri Department of Transportation

**STATE OF MISSOURI
DEMOGRAPHIC INDICATORS
CALENDAR YEARS 2011-2020**

	2020	2019	2018	2017	2016
Population					
Missouri (In Thousands)	6,155	6,137	6,043	6,114	6,093
Change	0.2 %	0.3 %	0.3 %	0.4 %	0.1 %
National (In Thousands)	331,449	328,240	327,167	325,719	323,128
Change	1.0 %	0.5 %	0.6 %	0.7 %	0.5 %
Total Personal Income					
Missouri					
(In Thousands of Dollars)	\$ 314,818,000	\$ 298,620,000	\$ 285,704,000	\$ 266,920,797	\$ 261,547,770
Change	5.4 %	4.5 %	6.6 %	2.1 %	1.6 %
National					
(In Thousands of Dollars)	\$19,679,715,000	\$18,542,262,000	\$17,572,929,000	\$16,413,550,863	\$15,912,777,000
Change	6.1 %	5.5 %	6.6 %	3.1 %	2.9 %
Per Capita Personal Income					
Missouri	\$ 51,177	\$ 49,589	\$ 46,635	\$ 43,661	\$ 42,926
Change	5.2 %	6.3 %	6.4 %	1.7 %	1.5 %
National	\$ 59,729	\$ 56,663	\$ 53,712	\$ 50,392	\$ 49,246
Change	5.8 %	5.5 %	6.2 %	2.3 %	2.4 %
Resident Civilian Labor Force and Employment					
Civilian Labor Force					
(In Thousands)	3,053	3,083	3,052	3,051	3,112
Employed (In Thousands)	2,867	2,982	2,955	2,936	2,971
Unemployed (In Thousands)	186	102	98	115	141
Unemployment Rate	6.1 %	3.3 %	3.2 %	3.8 %	4.5 %
National Unemployment Rate	8.1 %	3.7 %	3.9 %	4.4 %	4.9 %

Continues Below

	2015	2014	2013	2012	2011
Population					
Missouri (In Thousands)	6,084	6,064	6,044	6,022	6,011
Change	0.3 %	0.3 %	0.4 %	0.2 %	0.3 %
National (In Thousands)	321,419	318,857	316,129	313,914	311,592
Change	0.8 %	0.9 %	0.7 %	0.7 %	0.7 %
Total Personal Income					
Missouri					
(In Thousands of Dollars)	\$ 257,338,334	\$ 252,482,438	\$ 245,771,389	\$ 235,153,679	\$ 228,218,407
Change	1.9 %	2.7 %	4.5 %	3.0 %	4.3 %
National					
(In Thousands of Dollars)	\$15,463,981,000	\$14,683,147,000	\$14,151,427,000	\$13,401,868,693	\$ 12,949,905,000
Change	5.3 %	3.8 %	5.6 %	3.5 %	5.2 %
Per Capita Personal Income					
Missouri	\$ 42,300	\$ 41,639	\$ 40,663	\$ 39,049	\$ 37,969
Change	1.6 %	2.4 %	4.1 %	2.8 %	4.3 %
National	\$ 48,112	\$ 46,049	\$ 44,765	\$ 42,693	\$ 41,560
Change	4.5 %	2.9 %	4.9 %	2.7 %	4.4 %
Resident Civilian Labor Force and Employment					
Civilian Labor Force					
(In Thousands)	3,114	3,058	3,018	2,993	3,022
Employed (In Thousands)	2,958	2,871	2,821	2,785	2,767
Unemployed (In Thousands)	156	187	197	207	255
Unemployment Rate	5.0 %	6.1 %	6.5 %	6.9 %	8.4 %
National Unemployment Rate	5.3 %	6.2 %	7.4 %	8.1 %	8.9 %

Sources: Bureau of Economic Analysis, Missouri Economic Research and Information Center, Bureau of Labor Statistics

**STATE OF MISSOURI
ECONOMIC INDICATORS
CALENDAR YEARS 2011-2020**

	2020-21	2019-20	2018-19	2017-18	2016-17
School Enrollment (In Thousands)					
Elementary and Secondary Education	880	880	881	884	884
Higher Education - Private Institutions	106	84	87	87	92
Total Enrollment (In thousands)	986	964	968	971	976
% Change from Prior Year	2.2 %	(0.4)%	(0.3)%	(0.5)%	(0.2)%
Higher Education					
Public Community Colleges					
Number of Campuses	23	22	22	19	19
Number of Students (FTE*)	47,261	50,928	52,927	55,418	57,568
State Technical College					
Number of Campuses	1	1	1	1	1
Number of Students (FTE)	1,866	1,710	1,467	1,242	1,226
State Colleges/Universities					
Number of Campuses	13	14	14	14	14
Number of Students (FTE)	104,443	108,651	112,020	115,374	119,127
				Continues Below	
	2015-16	2014-15	2013-14	2012-13	2011-12
School Enrollment (In Thousands)					
Elementary and Secondary Education	885	886	888	888	886
Higher Education - Private Institutions	93	95	90	91	98
Total Enrollment	978	981	978	979	984
% Change from Prior Year	(0.3)%	0.3 %	(0.1)%	(0.5)%	(0.1)%
Higher Education					
Public Community Colleges					
Number of Campuses	19	19	19	19	19
Number of Students (FTE*)	57,247	61,671	65,773	67,721	70,964
State Technical College					
Number of Campuses	1	1	1	1	1
Number of Students (FTE)	1,273	1,276	1,325	1,236	1,161
State Colleges/Universities					
Number of Campuses	14	14	14	14	14
Number of Students (FTE)	121,827	121,358	118,669	118,055	117,609

*FTE is Full-Time Equivalent.

Sources: Missouri Department of Elementary and Secondary Education and Missouri Department of Higher Education and Workforce Development.

**STATE OF MISSOURI
PRINCIPAL EMPLOYERS
CALENDAR YEARS 2011 AND 2020**

2020

Employer	Number of Employees	Percent of Total State Employment
State of Missouri ¹	52,000	1.81%
Wal-Mart Associates, Inc.	40,000+	1.40%
Mercy Health Systems	25,000 - 30,000	0.87% - 1.05%
University of Missouri	20,000 - 25,000	0.70% - 0.87%
Washington University	15,000 - 20,000	0.52% - 0.70%
Boeing Corporation	15,000 - 20,000	0.52% - 0.70%
U.S. Post Office	10,000 - 15,000	0.35% - 0.52%
Cerner Corporation	10,000 - 15,000	0.35% - 0.52%
Department of Veterans Affairs	10,000 - 15,000	0.35% - 0.52%
Barnes-Jewish Hospitals	10,000 - 15,000	0.35% - 0.52%
Lester E Cox Medical Centers	7,500 - 10,000	0.26% - 0.35%
Total	214,500 - 257,000	7.48% - 8.96%
Total Missouri Employment		2,867,162

2011

Employer	Number of Employees	Percent of Total State Employment
State of Missouri ¹	58,000	2.08%
Wal-Mart Associates, Inc.	20,000+	0.72%
University of Missouri	20,000+	0.72%
Washington University	15,000 - 20,000	0.54% - 0.72%
U.S. Post Office	15,000 - 20,000	0.54% - 0.72%
Boeing Corporation	10,000 - 15,000	0.36% - 0.54%
Barnes-Jewish Hospitals	7,500 - 10,000	0.27% - 0.36%
U.S. Department of Defense	7,500 - 10,000	0.27% - 0.36%
Schnuck Markets, Inc.	7,500 - 10,000	0.27% - 0.36%
Department of Veterans Affairs	7,500 - 10,000	0.27% - 0.36%
Division of Adult Institutions	7,500 - 10,000	0.27% - 0.36%
Total	175,500 - 203,000	6.31% - 7.30%
Total Missouri Employment		2,785,797

All figures are based on a calendar-year average.

¹Number of state employees includes only full-time personnel and does not include college or university employees.

Sources: Missouri Economic Research and Information Center, State of Missouri ACFR-Fiscal Year 2011, State Employee Headcount report

**STATE OF MISSOURI
STATE EMPLOYEES BY FUNCTION
FISCAL YEARS 2012-2021
FULL-TIME EQUIVALENTS***

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government										
Legislature	647	644	652	665	663	670	667	671	670	683
Judiciary	3,385	3,383	3,430	3,551	3,558	3,543	3,519	3,530	3,470	3,369
Public Defender	597	606	605	578	579	577	573	575	565	595
Governor	29	32	33	30	18	21	22	23	26	28
Lt. Governor	17	17	8	7	6	7	6	5	5	6
Secretary of State	209	217	223	220	217	235	233	228	244	244
State Auditor	104	106	116	111	109	108	113	113	111	116
State Treasurer	45	44	46	46	46	45	46	49	48	49
Attorney General	359	370	347	351	351	359	373	376	363	350
Office of Administration	1,726	1,775	1,846	1,859	1,907	1,881	1,871	1,933	2,132	2,161
Revenue	1,292	1,311	1,297	1,283	1,289	1,283	1,288	1,347	1,344	1,364
Total General Government	<u>8,410</u>	<u>8,505</u>	<u>8,603</u>	<u>8,701</u>	<u>8,743</u>	<u>8,729</u>	<u>8,711</u>	<u>8,850</u>	<u>8,978</u>	<u>8,965</u>
Education										
Elementary and Secondary Education	2,198	2,283	2,512	2,620	2,555	2,663	2,639	2,678	2,631	2,714
Higher Education and Workforce Development	323	306	58	56	55	57	57	57	64	61
Total Education	<u>2,521</u>	<u>2,589</u>	<u>2,570</u>	<u>2,676</u>	<u>2,610</u>	<u>2,720</u>	<u>2,696</u>	<u>2,735</u>	<u>2,695</u>	<u>2,775</u>
Natural and Economic Resources										
Agriculture	396	412	431	483	476	495	495	464	456	467
Commerce and Insurance	928	937	744	733	762	770	765	762	759	755
Conservation	1,755	1,816	1,835	1,871	1,898	1,871	1,895	1,896	1,901	1,872
Economic Development	238	240	793	800	812	800	810	786	822	891
Labor and Industrial Relations	649	643	657	701	742	796	827	881	967	998
Natural Resources	1,678	1,789	1,830	1,842	1,981	2,023	1,974	2,075	2,047	2,042
Total Natural and Economic Resources	<u>5,644</u>	<u>5,837</u>	<u>6,290</u>	<u>6,430</u>	<u>6,671</u>	<u>6,755</u>	<u>6,766</u>	<u>6,864</u>	<u>6,952</u>	<u>7,025</u>
Transportation and Law Enforcement										
Transportation	5,288	5,248	5,497	5,471	5,545	5,444	5,591	5,502	5,410	5,804
Public Safety	5,646	5,723	5,490	5,449	5,316	5,240	5,193	5,220	5,320	5,309
Total Transportation and Law Enforcement	<u>10,934</u>	<u>10,971</u>	<u>10,987</u>	<u>10,920</u>	<u>10,861</u>	<u>10,684</u>	<u>10,784</u>	<u>10,722</u>	<u>10,730</u>	<u>11,113</u>
Human Services										
Health and Senior Services	1,829	1,838	1,794	1,825	1,831	1,825	1,830	1,793	1,798	1,753
Mental Health	7,839	7,852	7,704	7,836	7,728	7,605	7,742	8,076	8,101	8,089
Social Services	6,225	6,492	6,537	6,670	6,735	6,952	7,147	7,145	7,244	7,371
Corrections	8,914	9,459	10,179	10,568	10,866	10,929	11,051	11,069	10,880	10,864
Total Human Services	<u>24,807</u>	<u>25,641</u>	<u>26,214</u>	<u>26,899</u>	<u>27,160</u>	<u>27,311</u>	<u>27,770</u>	<u>28,083</u>	<u>28,023</u>	<u>28,077</u>
State Total	<u>52,316</u>	<u>53,543</u>	<u>54,664</u>	<u>55,626</u>	<u>56,045</u>	<u>56,199</u>	<u>56,727</u>	<u>57,254</u>	<u>57,378</u>	<u>57,955</u>

*Based on a four quarter average.

Source: Office of Administration, Division of Accounting, Statewide Indirect Cost Allocation Plan

**STATE OF MISSOURI
OPERATING INDICATORS BY FUNCTION
FISCAL YEARS 2012-2021**

	2021	2020	2019	2018
General Government				
Individual Income Tax Returns Processed (In Thousands)	3,645	2,931	3,102	3,103
Sales and Use Tax Returns Processed (In Thousands)	730	797	765	694
Driver Licenses Processed (In Thousands)	1,363	1,105	1,324	1,183
Motor Vehicle Registrations Processed (In Thousands)	3,531	3,448	5,930	4,221
Audit Reports Issued	131	132	155	155
Statewide Court Filings (In Thousands)	1,597	1,861	1,902	1,923
Archives Website Hit				
Secretary of State Web Page (In Thousands)	19,608	26,029	24,998	29,498
Checks Issued (In Thousands)	1,271	1,302	1,332	1,537
Unclaimed Property Returned (In Thousands)	\$ 47,180	\$ 41,009	\$ 45,083	\$ 44,697
Education				
High School Drop Out Rate	1.5 %	1.5 %	2.2 %	2.4 %
Accredited Elementary and Secondary School Districts*	508	508	508	512
Clients Achieving Employment after Receiving Vocational Rehabilitation Services	50.9 %	55.4 %	53.1 %	56.2 %
Student Loan Recovery Rate	15.4 %	28.2 %	31.0 %	25.5 %
Scholarships/Grants Awarded to Eligible Missouri Residents (In Thousands)	\$ 129,826	\$ 134,414	\$ 128,967	\$ 121,753
Natural and Economic Resources				
Job Placement Rate of Unemployed Individuals that Registered on Great Hires Web Page**	61.0 %	68.6 %	70.7 %	71.6 %
Insurance Policies Filed Electronically	100.0 %	100.0 %	100.0 %	100.0 %
Initial Unemployment Claims (In Thousands)	523	828	184	217
International Export Certificates Issued	7,199	6,013	6,802	7,619
Hunting License Holders (In Thousands)	559	571	561	596
Visitors to Missouri State Parks and Historic Sites (In Thousands)	21,148	18,482	21,107	21,559
Transportation and Law Enforcement				
Methamphetamine Labs Seized	1	1	2	8
State - Licensed Fire Safety Inspections	10,725	10,477	13,543	17,903
Buildings Served by Missouri Capitol Police	72	72	72	71
Alcohol Licenses Issued	31,037	32,822	34,028	32,972
Missouri Major Roads Rated in Good Condition	90.6 %	91.1 %	91.5 %	91.6 %
Difference Between Awarded and Actual Transportation Construction Costs	2.30 %	(0.03)%	1.50 %	0.02 %
Human Services				
Medicaid Enrollees	1,098,103	939,919	858,077	971,143
Food Stamp Recipients	695,200	773,079	682,299	727,131
Doses of Vaccine Issued by Vaccines for Children Providers (In Thousands)	1,087	1,104	1,162	1,208
Incarcerated Offenders	23,153	24,035	28,172	31,726
Individuals Served in State Comprehensive Psychiatric Service Facilities	1,548	1,550	1,607	1,611

*Department of Elementary and Secondary Education presented no accreditation classifications to the Board of Education during fiscal year 2013. Charter schools are not included in the statistics.

** In Fiscal Year 2019 the web page changed from MissouriCareerSource to Great Hires.

Sources: State agencies

2017	2016	2015	2014	2013	2012
3,060	3,098	3,058	2,848	2,945	2,969
707	707	705	703	730	760
1,487	1,123	1,600	1,415	1,308	1,208
3,770	3,993	4,479	4,215	4,050	3,905
147	135	143	150	146	123
2,098	2,370	2,624	2,652	2,685	2,565
28,714	18,232	72,045	87,436	98,233	91,257
1,592	1,697	1,550	1,363	1,722	1,971
\$ 44,369	\$ 42,038	\$ 41,720	\$ 40,042	\$ 39,509	\$ 38,239
2.4 %	2.5 %	2.5 %	2.8 %	3.0 %	3.5 %
512	518	507	507	—	506
60.1 %	60.9 %	61.7 %	60.0 %	62.7 %	61.0 %
26.0 %	23.3 %	26.4 %	31.2 %	34.2 %	36.5 %
\$ 129,623	\$ 119,948	\$ 111,342	\$ 107,413	\$ 104,265	\$ 97,077
64.9 %	65.7 %	60.7 %	56.0 %	55.4 %	55.2 %
100.0 %	99.7 %	99.5 %	99.4 %	99.4 %	99.5 %
239	259	295	355	364	427
8,110	6,773	7,926	6,453	7,819	7,821
603	607	610	612	606	593
21,273	19,205	18,568	17,468	18,093	17,846
11	7	70	129	244	274
18,459	19,459	13,434	15,348	15,680	15,177
71	74	72	72	72	72
32,319	31,404	31,400	30,743	30,723	30,498
90.0 %	90.4 %	89.2 %	89.7 %	88.5 %	88.1 %
0.1 %	1.1 %	0.6 %	0.8 %	0.5 %	0.2 %
983,835	982,776	944,257	825,974	868,226	889,159
754,062	782,374	844,851	839,734	927,927	943,835
1,243	1,226	1,174	1,192	1,385	1,354
32,537	32,837	32,284	31,905	31,408	31,057
1,652	1,683	1,628	1,649	1,694	1,716

**STATE OF MISSOURI
CAPITAL ASSET STATISTICS
BY FUNCTION
FISCAL YEARS 2012-2021**

	2021	2020	2019	2018	2017
General Government					
Parcels of Land	23	22	23	23	21
Land Improvements	72	70	70	70	61
Square Footage of Buildings	1,146,454	1,146,454	1,130,336	1,062,507	1,066,968
Equipment	45,928	43,881	41,941	41,961	39,396
Software	3,361	3,123	2,940	2,940	2,717
Education					
Parcels of Land	31	31	31	31	31
Land Improvements	55	55	55	55	55
Square Footage of Buildings	185,350	185,350	165,291	158,235	157,190
Equipment	5,190	5,096	4,211	4,212	4,249
Trademarks	1	1	1	1	1
Natural and Economic Resources					
Parcels of Land	900	892	885	888	880
Land Improvements	530	528	476	478	456
Temporary Easements	1	1	1	1	1
Square Footage of Buildings	547,595	547,595	561,296	583,682	582,846
Equipment	13,209	14,179	14,664	14,671	14,535
Software	7	7	318	96	91
State Parks and Historic Sites	92	91	91	91	91
State Conservation Areas	1,192	1,188	1,217	1,197	1,198
Transportation and Law Enforcement					
Parcels of Land	612	612	617	617	620
Land Improvements	528	498	495	495	486
Permanent Easements	1,107	751	751	719	674
Temporary Easements	1,147	602	602	593	542
Square Footage of Buildings	191,671	191,671	189,651	185,777	183,676
Equipment	74,186	72,492	72,773	72,869	72,030
Software	854	941	870	870	798
Miles of State Highway	33,830	33,838	33,838	33,859	33,856
State-Owned Bridges and Culverts	10,399	10,384	10,384	10,385	10,394
Highway Patrol Stations	9	9	9	9	9
Human Services					
Parcels of Land	71	71	80	80	81
Land Improvements	161	156	171	171	178
Square Footage of Buildings	843,670	843,670	862,583	920,530	916,936
Equipment	34,961	34,120	35,441	35,446	36,481
Software	120	100	89	89	86
Correctional Facilities	28	28	28	29	29

Source: State of Missouri capital asset records by agency.

2016	2015	2014	2013	2012
21	20	20	20	20
61	59	58	50	40
1,068,854	1,032,098	1,035,704	1,014,621	1,006,449
36,159	34,548	35,055	36,050	35,651
2,260	1,961	1,625	826	293
31	31	31	31	31
56	54	54	54	46
156,710	136,074	136,203	140,159	136,465
4,357	5,039	6,286	6,175	6,102
1	1	1	1	1
847	835	826	826	826
427	426	408	386	328
1	1	1	1	1
582,847	574,076	575,485	602,174	611,550
15,168	26,859	34,028	35,159	35,064
80	68	57	51	36
88	87	87	87	85
1,190	1,186	1,189	1,197	1,193
623	628	650	682	790
476	474	439	420	349
638	593	548	467	382
654	797	867	875	833
181,743	179,183	181,880	180,140	175,664
67,114	67,103	66,095	65,813	66,994
710	616	529	429	358
33,873	33,892	33,890	33,885	33,845
10,394	10,376	10,371	10,364	10,405
9	9	9	9	9
81	81	81	81	83
174	175	173	168	161
917,901	926,098	924,164	919,900	900,749
41,777	43,545	44,712	46,221	50,229
82	70	59	32	28
29	30	30	30	30

Report Prepared by:

Financial Reporting Section

Libbie D. Farrell, *Assistant Director*

Jessica K. Prater, *CGFM, Manager*

Krista G. Porter, *Supervisor*

Megan Bruemmer, *Accountant*

Jason Cracraft, *Accountant*

Christina R. Evans, *Accountant*

Blake Holtmeyer, *Accountant*

Becky Howard, *Accountant*

Jervis Mornan, *Accountant*

Andrea Polendo, *Accountant*

Zheng Zeng, *CGFM, Accountant*

Amanda Locke, *Manager*

Shawn P. McCauley, *CGFM, Supervisor*